

**VIGIL MECHANISM POLICY/ WHISTLEBLOWER POLICY OF
ABHAY ISPAT (INDIA) PRIVATE LIMITED**

INTRODUCTION & PURPOSE OF POLICY:

Pursuant to the provisions of Section 177 of the Companies Act, 2013, every listed company and such class or classes of companies (the companies which accept deposit from public or the companies which have borrowed money from banks and financial institutions in excess of 50 crore rupees), are required to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

As the borrowings made by the company from Banks / Financial Institutions is in excess of Rs.50.00 Crores, the provisions of Section 177(9) of the Act read with rule 7 of the Companies (Meetings of Board and its Powers) Rule, 2014 is made applicable to the Company.

Further, such vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Vigilance officer.

Pursuant to the provisions of Section 177 (9) and (10) Companies Act, 2013 read with rule 7 of the Companies (Meetings of Board and its Powers) Rule, 2014, the Company has set up and adopted the following Vigil Mechanism which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company and shall be overseen by the Board of Directors of the Company. The Mechanism as set up herein- below shall enable the employees and directors of the Company to report their genuine concerns or grievances about actual and potential violation of the principles and standards laid down herein.

Any actual or potential violation of the ethical principles and governance frameworks of the company including policies, procedures etc., howsoever insignificant or perceived as such is a matter of serious concern for the Company.

DEFINITION:

- The Board of Directors means the Board of Directors of the Company constituted as such.
- Company means "Abhay Ispat (India) Private Limited"
- Director means a director on the Board of Directors of the Company.
- Disciplinary Action means any action that can be taken on the completion of / during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties, termination of employment or any such action as is deemed to be fit considering the gravity of the matter.
- Employee means an employee on the rolls of the Company and appointed as such.
- Fraud in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.
- Investigator means those persons authorised, appointed, consulted or approached by the Vigilance Officer appointed by the Board of Directors of the Company.
- Vigilance Officer means a person nominated by the Board of Directors for the purpose of addressing the complaints / Protected Disclosures made under this Policy.
- Policy means the Vigil Mechanism Policy.
- Protected Disclosure means a concern raised by an Employee/s or a Director of the Company, through a

written communication and made in good faith which discloses or demonstrates verifiable information about an unethical or improper activity with respect to the Company. It 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.

- Subject means a person(s) against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- Whistle blower means an Employee or a Director making a Protected Disclosure under this Policy.

Under these circumstances, Abhay Ispat (India) Private Limited ("**Abhay Ispat**") proposes to establish a Vigil Mechanism and to formulate a policy for the same.

Abhay Ispat requires its Officers and Employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

The purpose of this policy is as follows:

1. To encourage and enable employees and volunteers of the Company to report any action or suspected action taken within the Company that is illegal, fraudulent or in violation of any adopted policy of the Company.
2. To build and strengthen a culture of transparency and trust within the organization.

This policy applies to any matter which is related to the Company's business and does not relate to private acts of an individual not connected to the business of the Company.

APPLICABILITY:

This policy applies to all the employees and Directors of **Abhay Ispat** (including outsourced, temporary and on contract personnel), ex-employees, stakeholders of the Company, including Vendors (hereinafter referred to as "Whistle Blower")

VIOLATION, REPORTING IN GOOD FAITH:

All employees and Directors and volunteers of the Company are encouraged should be reported in writing in the prescribed Form as per **Annexure I** of any action or suspected action taken within the Company that is illegal, fraudulent or in violation of any adopted policy of the Company.

Anyone reporting a violation must act in good faith, without malice to the Company or any individual in the Company, and have reasonable grounds for believing that the information shared in the report indicates that a violation has occurred. Any report which the complainant has made maliciously or any report which the complainant has good reason to believe is false will be viewed as a serious disciplinary offense.

NO RETALIATION:

No employee and Directors and volunteers who in good faith report a Violation or Cooperates in the investigation of a Violation shall suffer harassment, retaliation or adverse employment or volunteer consequences. Any individual within the Company who retaliates against another individual who in good faith has reported a violation or has cooperated in the investigation of a violation is subject to discipline, including termination of employment.

Any individual who reasonably believes he or she has been retaliated against in violation of this policy shall follow the same procedures as for filing a complaint.

REPORTING PROCESS:

If an individual reasonably believes that a Violation has occurred, the individual is encouraged to share his or her questions, concerns, suggestion or complaints to person designated by the Company to Mr. Vinesh T. Mehta, Director of the Company is the Vigilance Officer (“Vigilance Officer”) for the above policy whose contact no is 99873 66555 and email id : vtm@abhayispat.com, who will play the role of Vigilance Officer for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

COMMUNICATION:

Directors and Employees shall be informed of the Policy by publishing on the notice Board and on www.abhayispat.com, the website of the Company.

CONFIDENTIALITY:

The Company encourages anyone reporting a Violation to identify himself or herself when making a report in order to facilitate the investigation of the Violation. However, reports may be submitted on a confidential basis by the complainant or may be submitted anonymously by filling out a reporting form and depositing the form in a designated drop box. The Drop Box will be installed at the registered office of the Company. The same to be opened by the Vigilance Officer on monthly basis (30th of every month).

HANDLING REPORTED VIOLATIONS AND DECISIONS:

The Vigilance Officer will notify the complainant and acknowledge receipt of a report of Violation within 15 (Fifteen days) business days, but only to the extent that the complainant’s identity is disclosed or a return address is provided.

The Vigilance Officer is responsible for promptly investigating all reported Violations and for causing appropriate corrective action to be taken if warranted by the investigation. The complainant will be notified about what actions will be taken, to the extent reasonably possible and consistent with any privacy or confidentiality limitations.

If no further action or investigation is to follow, an explanation for the decision will be given to the complainant.

In addition, the Vigilance Officer will report to the Board of Directors of any reported Violations, the current status of the investigation, and the outcome or corrective action taken at the conclusion of the investigation.

In the event the Vigilance Officer is suspected of having committed a Violation, then the Violation will be reported to the Board of Directors and the Violation will be investigated by designated officer under close supervision of the Board of Directors.

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 seven years.

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 Employees unless the same is notified to the employees in writing.

**For & on behalf of the Board of Directors
Abhay Ispat (India) Private Limited**

Sd/-

**Vinesh T. Mehta
Director
DIN - 00376381**

Mumbai, 28th May, 2014

ANNEXURE -1: WHISTLEBLOWER REPORTING FORM

1) Is this first time you are filing a report for the improper conduct.

_____ Yes

_____ NO, please state the date (s) or approximate date (s) of your previous reports.

2. Name of the Person Filing Report (You are not required to provide your name and may retain anonymity. If you choose to provide your name, it will remain confidential. Providing your name may facilitate the investigation of the misconduct. Anyone filing an anonymous report will not be updated as to the progress of the investigation, but do understand that investigations are taken seriously and will be addressed. Reporting done by individuals disclosing their names will be attended to first.)

Name

Date

3. Name of Person (s) Subject to this Complaint.

Name

Positions*

* If this person is not an employee of the Company, please list his or her position or relationship to the Company.

Complaint Report

Please include as much detail as possible to enable a thorough investigation of the matter. Please go beyond the question prompts

4. What act occurred and how do you believe it was fraudulent, illegal, or inappropriate. If applicable – Please describe the nature of any injury or damage sustained.

5. When and where did the misconduct occur? (Please indicate if the actions were committed over a period of time).

6. What do you believe enabled the act(s) to occur? E.g. Lack of controls, circumvention of controls, or collusion with other individuals? Are you aware of any motives for the misconduct?

7. Does the misconduct involve the participation of people external to the Company?

8. Are there any witnesses that can confirm the misconduct?

Evidence: Please attach a copy or original of any supporting documents or other evidence in your possession, if any.