

AMFORGE INDUSTRIES LIMITED

WHISTLE BLOWER POLICY

1	<i>APPLICABILITY</i>
	This policy applies to all the permanent employees of Amforge Industries Limited (the Company).
2	<i>POLICY</i>
	This policy is formulated in line with the requirement of Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated 29 th October, 2004 issued by the Securities and Exchange Board of India (SEBI) read with Clause 49 (Corporate Governance) of Listing Agreement with Stock Exchanges, to provide opportunities to employees to access in good faith, to the management concern (in exceptional cases to the Audit Committee) in case they observe unethical or improper practices (not necessarily a violation of law) in the Company and to secure those employees from unfair termination and unfair prejudicial practices.
3.	<i>DEFINITIONS</i>
3.1	Annual Report
	“Annual Report” includes all reports which are required to be placed before the Members of the Company annually i.e. Balance Sheet, Profit and Loss Account, Directors’ Report, Auditor’s Report and every other document which is required to be annexed or attached or forming part thereof.
3.2	Audit Committee
	Audit Committee is the Committee which is constituted pursuant to section 292 A of the Companies Act, 1956 read with Clause 49 (II) of the Listing Agreement with The Stock Exchange, Mumbai.
3.3	Board Report
	“Board Report” has the same meaning as defined under section 217 of the Companies Act, 1956
3.4	Employee
	A person who performs a full time service for wages, salary, or other remuneration.
3.5	The Company or this Company
	The Company or This Company means “Amforge Industries Limited”.
3.6	Good Faith
	An employee 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 about unethical or improper practices. “Good Faith” is lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical or improper practices is malicious, false or frivolous.

3.7	Internal Circulars
	“Internal Circular” is a communication made on behalf of the Company by an authorized person which is addressed to the employees of the Company through any mode including but not restricted to e-mail, fax, phone, notice board, inter office note, etc.
3.8	Right of Access or Right of Approach
	The right to an employee to give a written report to the Audit Committee for alleged misconduct or unethical or improper practice, which an employee has observed or found in the Company.
3.9	Supervisor
	Supervisor means the seniors of the employee to whom he is supposed to report in his official work.
3.10	Unfair Termination and Unfair Prejudicial Employment Practices
	“Unfair termination” and “Unfair prejudicial employment practices” mean to threaten, or otherwise discriminate or retaliate against an employee in any manner that affects the employee’s employment, including compensation, job location, rights, immunities, promotions, or privileges.
3.11	Unethical or Improper Practices
3.11.1	Unethical – Unethical act is the act not conforming to approved standards of social or professional behavior which leads to “unethical business practices” or an action not adhering to ethical, moral and honourable principles.
3.11.2	Improper – Improper refers to unethical conduct, breach of etiquette or morally offensive behaviors.
3.12	Violation – An infraction or a breach which is not necessarily a violation of law, of Company’s policies, Memorandum and Articles of Association, code of conduct designed to protect the interest of employees without jeopardizing interest and growth of company.
3.13	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.
3.14	Whistle Blower – An Employee who reveals wrongdoings about any Unethical or Improper practices carried on in/by the Company and communicates in Good Faith to the Audit Committee, in writing.
4.	<i>GUIDELINES</i>
4.1	Internal Policy
	The Whistle Blower Policy (hereinafter referred as “WBP”) is an internal policy on access to the management concern (in exceptional cases to Audit Committee, which comprises of qualified and independent Directors)
4.2	Prohibition
	The “WBP” prohibits the 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 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 subsection to a reduction in workforce unrelated to a communication made pursuant to the Whistle Blower Policy.
A	Reporting Authority – Management Concerns or Audit Committee shall be the reporting authority under this Policy
B	Supervisor’s Duties & Responsibilities
B1	Familiarize themselves with this Policy.
B2	Notify supervised employees of their protections and obligations under the “Whistle Blower Policy” of the Company.
B3	Forward Whistle Blower report to the Audit Committee immediately on receipt of the same from his subordinate.
C	Rights of Complainants
C.1	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:
C.1.1	Waste of company’s funds, property, or manpower or
C.1.2.	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 or code of ethics designed to protect the interest of employees of Amforge Industries Ltd. However, this should not be merely technical or minimal nature.
C.2.	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.
C.3	The employee may lodge the violation report directly to the current Chairman of the Audit Committee at the following address or any other address which may be notified from time to time. The complaints may be lodged through email which shall be protected by password and 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 Chairman of Audit Committee shall be duly notified from time to time.
D	Audit Committee’s Responsibilities
D.1	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.
D.2	Determination of nature of Complaints – Audit Committee shall determine the nature of Complaints keeping in view to the requirement of SEBI circular dated 26 th August, 2003, and determining appropriate course of action.

		The complaints may be determined in two broad categories.
		a) Reporting an unethical or improper practice.
		b) Any wrongful action taken by the management against the employee who has approached to Audit Committee under point (a) 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 Chairman 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, etc. for determining the correctness of the complaints.
	D.3	Essential Factors – While determining the alleged assertion, the following factors may be considered:
	D.3.1.	Accuracy of the information furnished;
	D.3.2.	Nature and quality of evidence;
	D.3.3.	Existence of relevant laws and rules;
	D.3.4.	Whether the action appears to be isolated or systematic;
	D.3.5	History of previous assertions regarding the same subject or subject matter;
	D.3.6	What are the avenues available for addressing the matter;
	D.3.7	Seriousness or significance of the asserted action and
	D.3.8	Cost and benefit of potential investigation
	D.4	Objectivity and Independence - To be objective, thorough and independent of influence in conducting interviews and/or review of relevant documents associated with whistle blower reports.
	D.5	Maintenance of Confidentiality – Maintain confidentiality of the whistle blower and witnesses who provide information, as appropriate.
	D.6	Clarity in Proceedings – Document investigation activities and conclusions in a clear and understandable fashion.
	D.7	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.
	D.8	Time Frame for Redressal of Complaints – Audit Committee shall complete all the formalities and shall resolve the matter within 6 months from the date of filing of the complaints. Any extension in respect thereof shall be in writing alongwith necessary justification.
	D.9	Reporting to Board of Directors of the Company – Audit Committee shall submit a report before the Board Meeting to be held immediately after completion of WB Complaint.
	E	Actions Prohibited by the Whistle Blower Policy
		The company shall not

	E.1	Threaten, discriminate or retaliate against an employee 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 within the policy of the Company.
	E.2.	Adverse action against an employee who participates or gives information in an investigation, or hearing or in any form of inquiry initiated by the Audit Committee.
	F	Course of Action Available to the Employees
	F.1	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 6 months, if any action is taken against the employee in violation of the Clause E of the policy.
	F1.1.	The employee has the burden of proof in establishing that he or she has suffered an adverse action for an activity protected under the WBP.
	F.1.2	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 unrelated to a communication made pursuant to the WBP;
	F.2	Remedies – The Audit Committee or Board of Directors rendering judgement under the WBP may order any or all of the following remedies ;
	F.2.1	Order an injunction to restrain continued violation of the provisions of the WBP.
	F.2.2	Reinstate the employee to the same position or to an equivalent position;
	F.2.3	Reinstate full fringe benefits and retirement service credit;
	F.2.4	Order compensation for lost wages, benefits, and any other remuneration;
	G	Employee Notification
		All employees shall be notified of the existence and contents of the policy through the respective department heads and every department head shall submit a certificate duly signed by him to the Secretarial Department that WBP was notified to each employees belonging to his department. In case of new employees, they will be informed by the Personnel department and statement in this regard shall be submitted to Secretarial Department.
		The Secretarial Department will furnish a certificate based on the certificate received from the respective department of the Company regarding the notification of the WBP, before the Board of Directors and the Board shall take on record of the same.

	H	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.
	I	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.
	J	Disclosure in Corporate Governance Report
		The affirmation as referred in point I above shall form part of the Board Report on Corporate Governance that is required to be prepared and submitted together with the annual report.
	K	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 any other rules, regulations etc. which may be applicable from time to time.