

Whistle Blower Policy

(Effective from 1st October 2014)

1. Effective Date: The Whistle Blower Policy shall come into effect from October 1, 2014.

2. Objective

2.1 Nelcast Ltd (“**the Company**”) believes in conducting its business in a fair and transparent manner by adhering to the highest standards of professionalism, honesty, integrity and ethical behavior. In order to achieve this, the Company has adopted the Code of Conduct (“**the Code**”), which lays down the principles and standards that should govern the actions of the Company and all 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 Employees and/or Directors in pointing out violations of the Code must not be undermined. If Employees are concerned by any situation or behavior, Employees can speak to their Manager or any member of the Human Resources Department.

2.2 As per Section 177 (9) and (10) of the Companies Act, 2013 and SEBI Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014, every listed Company is under the obligation to establish a vigil mechanism for Employees and Directors to report unethical behavior, actual or suspected fraud or any violation of the Company’s Code of Conduct or Ethics policy.

2.3 Accordingly, this Whistle Blower Policy (hereinafter called “**the Policy**”) has been formulated with a view to provide a mechanism for the Employees and Directors of the Company to approach the Chairman of the Audit Committee of the Company and report concerns about unethical behavior, actual or suspected fraud, any unlawful act or violation of the Company’s Code of Conduct or Ethics policy.

3. Definitions

The definitions of some of the key terms used in this policy are as hereunder:

“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 and read with clause 49 of the Listing Agreement with the Stock Exchanges.

“Employee/s” means every employee/s of the Company including the Directors in the employment of the Company.

“Code” means the Nelcast Code of Conduct.

“Director” means a director appointed to the Board of the Company.

“Investigators” mean those persons authorized, appointed, consulted or approached by the Chief Ethics Officer / Chairman of the Audit Committee and includes auditors of the Company, the Police and/or any personnel or employee nominated by Chief Ethics Officer/ Chairman of the Audit Committee for the purpose of conducting an investigation.

“Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

“Senior Management” means personnel of the company who are members of its management team (excluding independent Directors).

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

“Whistle Blower” means an Employee and/or Director making a Protected Disclosure under this Policy.

4. Applicability

This policy is applicable to the following:

- a. All Directors of the Company;**
- b. All Employees of the Company;**

5. Scope

5.1 The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.

5.2 Whistle Blowers 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 Chairman of the Audit Committee or the Investigators.

6. Protection and Disciplinary Action

Genuine Whistle Blowers shall be accorded complete protection from any kind of unfair treatment, as detailed hereunder, and any abuse of this Policy with a malafide intention shall warrant disciplinary action.

7. Procedure for Reporting

7.1 All Protected Disclosures concerning unethical behavior, actual or suspected fraud, any unlawful act or violation of the Company's Code of Conduct or Ethics policy by any employee of General Manager and above should be addressed to the Chairman of the Audit Committee of the Company for investigation.

7.2 All Protected Disclosures concerning unethical behavior, actual or suspected fraud, any unlawful act or violation of the Company's Code of Conduct or Ethics policy by any employee below the level of General Manager should be addressed to Chief Ethics Officer, and Chief Ethics Officer shall report the matters to the Chairman of the Audit Committee on receipt of such disclosures.

7.3 The contact details of the Chairman of the Audit Committee of the Company are as follows:

Chairman of the Audit Committee
Nelcast Limited
159 TTK Road,
Alwarpet, Chennai – 600 018

8. Investigation

a. The Chairman of the Audit Committee (hereinafter also referred to as the Audit Committee Chairman) is duly authorized by the Board of Directors to investigate / oversee any Disclosures reported under this policy.

b. All Disclosures made by the Whistle Blower under this policy shall be recorded and duly actioned in accordance with the recommendation made by the Audit Committee Chairman.

c. The Audit Committee Chairman may at his own discretion, consider involving any Investigators for the purpose of conducting the investigation. However, the investigations shall be launched only after the review of Disclosure by the Audit Committee Chairman, which establishes that:

1)The Disclosure made constitutes an unethical/ improper practice, as defined under this policy;

2). The Disclosure made is supported by adequate information to support an investigation. However, the Audit Committee Chairman shall detach the covering letter, before forwarding the relevant Disclosure to the Investigators, to ensure that the confidentiality of the Whistle Blower is maintained during the inquiry/ investigation process.

d. Any inquiry/ investigation conducted against any Subject shall not be construed by itself as an act of accusation and shall be carried out as a neutral fact finding process, without presumption of any guilt.

e. The inquiry/ investigation shall be conducted in a fair manner and provide an equate opportunity for hearing to the affected party and a written report of the findings should be prepared for submission to the Audit Committee Chairman and the Audit Committee.

f. The Audit Committee Chairman and the Investigators (after obtaining adequate authorization from the Audit Committee Chairman) shall have right to call for and examine any information / document of the Company, as may be deemed necessary for the purpose of conducting inquiry/ investigation under this policy.

9. Subjects

a. All Subjects shall be duly informed about the disclosures of unethical practice(s) made against them at the commencement of the formal inquiry/ investigation process and shall have regular opportunities for providing explanations during the course of the inquiry/ investigation process.

b. No Subjects shall directly/ indirectly interfere with the investigation process, till the completion of the inquiry/ investigation.

c. The Subjects shall not destroy or tamper with any evidence, and shall have a duty to co-operate with the Audit Committee Chairman in the inquiry/ investigation process or with any of the Investigators appointed, till the time the inquiry/ investigation process is completed.

d. During the course of the inquiry/investigation process, all Subjects shall have a right to consult any person(s) of their choice, other than the Investigators and/or Audit Committee Chairman, and engage any legal counsel at their own cost to represent them in any inquiry/ investigation proceedings.

The Audit Committee Chairman shall have the final discretion on whether such disclosure is necessary and if yes, then on the scope and medium of such disclosure.

10. Protection to Whistle Blower

a. The identity of the Whistle Blower, Subject and any other Employee assisting the inquiry/ investigation, shall be kept confidential at all times, except during the course of any legal proceedings, where a Disclosure/ statement is required to be filed.

b. The Company, as a policy, strongly condemns any kind of discrimination, harassment or any other unfair employment practice being adopted against the Whistle Blowers for Disclosures made under this policy. No unfair treatment shall be vetted out towards the Whistle Blower by virtue of his/her having reported a Disclosure under this policy and the Company shall ensure that full protection has been granted to him/her against:

i. Unfair employment practices like retaliation, threat or intimidation of termination/suspension of services, etc;

ii. Disciplinary action including transfer, demotion, refusal of promotion, etc;

iii. Direct or indirect abuse of authority to obstruct the Whistle Blowers right to continue performance of his duties/functions during routine daily operations, including making further Disclosures under this policy.

c. The Whistle Blower may also report any violation of the above clause to the Audit Committee Chairman, who may direct an investigation into the same and recommend suitable action to the management.

11. Management Action on False Disclosures

If a Whistle Blower knowingly makes false disclosures under this policy, such Whistle Blower shall be subject to disciplinary action on the terms deemed fit by the Audit Committee.

12. Reporting

All instances of Disclosures noted as part of this policy, including results/status of all the inquiries/ investigations made against such Disclosures shall be documented and a final report prepared for the Office of the Chairman of the Audit Committee on a quarterly basis. The Chairman of the Audit Committee may direct the the Company Secretary or any other person of the Company that he may deem fit for the preparation of such report. The report shall be presented before the Audit Committee, highlighting the following:

- i. The nature of reported Disclosures made under this policy for the present quarter and the proposed action thereon;
- ii. The status of prior and current period reported Disclosures and the action taken thereon;
- iii. Results/status of any investigations/enquiries in reference to the Disclosures; and
- iv. Any other matter, as the Audit Committee Chairman may deem fit.

13. Amendments

This policy may be amended or modified by the Company after due consultation with the Board of Directors.

14. Decision

If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, he shall recommend to the Board to take such disciplinary or corrective action as he may deem fit given their circumstances of the case.

15. Retention of Documents

All Disclosures made by the Whistle Blower or documents obtained during the course of inquiry/ investigation, along with the results of investigation relating thereto, shall be retained by the Company for a minimum period of 7 years.

16. Disclosures

The company shall disclose the policy on its website and also in the Board's Report.