



APL APOLLO TUBES LIMITED

VIGIL MECHANISM / WHISTLE BLOWER POLICY

PREAMBLE

Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of the board and its Power) Rules, 2014 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel.

Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Effective October 1, 2014, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called „Whistle Blower Policy“ for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct.

General

The Board of Directors of the "APL Apollo Tubes Limited" and the Chairman of the Company are committed to maintain the highest standard of honesty, openness and accountability and recognize the important role to play in achieving the goal. As a public company, the integrity of its financial information and the accuracy of financial information is paramount. The Company's financial information is relied upon by our shareholders, the financial markets and other stakeholders.

The Company, therefore, has a duty to ensure that there is an adequate mechanism to address any complaints related to questionable accounting or internal accounting controls, auditing matters, or the reporting of fraudulent financial information to our shareholders, the government or the financial markets. Such a mechanism should allow for disclosure by employees internally of such matters without fear of

reprisal, discrimination or adverse employment consequences as also address their correction and disciplining of those responsible.

DEFINATION

1. **Whistle blowing** is defined as:
"the deliberate, voluntary and protected disclosure of individual or organisational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated wrong doing within or by the organisation that is within its ability to control."
2. For the purpose of this policy, a **Whistleblower** is defined as:
"Any employee, director, related officer or contractor or any member of the Company, who whether anonymously or not makes or attempts to make a protected disclosure as defined above." In order to facilitate the reporting of employees complaints, the Company's Audit Committee has established the following procedures for;
 - a. The receipt, retention and treatment of complaints regarding questionable accounting or auditing matters, and
 - b. The confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.
3. **Vigilance Officer/Vigilance Committee or Committee** is a person or Committee of persons, nominated/appointed to receive disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
4. **Protected Disclosure** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
5. **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.

Reporting Responsibility

In most cases, the employees are the first to realize the instances of impropriety and the facts relating to the misstatements in the financial statements. However, due to various reasons which include indifference to the issue, fear of reprisal or just plain non-clarity on the issue, such instances go unreported. While the Company on its part does not tolerate any malpractice, impropriety, statutory non-compliance or wrongdoing, this policy shall ensure that the employee is empowered to pro-actively bring out such instances without fear of reprisal, discrimination or adverse employment consequences.

This Whistleblower Policy is intended to encourage and enable employees and others to raise serious concerns within the Company prior to seeking resolution outside the Company. It is however not intended to question financial or business decisions taken by the Company nor should it be used to reconsider any matters, which have already been addressed pursuant to disciplinary or other procedures of the Company. This policy shall not cover career related or other grievances. The whistleblower's role is as a reporting party. Whistleblowers are not investigators or finders of facts; neither can they determine the appropriate corrective or remedial action that may be warranted.

SCOPE

The procedures stated in the policy relate to employee complaints on any questionable accounting or auditing matters, including, without limitation, the following:

1. Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company
2. Fraud or deliberate error in the recording and maintaining of financial records of the Company
3. Deficiencies in or non-compliance with the Company's internal accounting controls;
4. Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
5. Deviation from full and fair reporting of the Company's financial condition.

ELIGIBILITY

All Directors and Employees of the Company are eligible to make Disclosures under the Policy in relation to matters concerning the Company.

PROCEDURE

All Protected Disclosures should be reported in writing by the complainant Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted under a letter signed by the complainant in a closed and secured envelope and should be super scribed as “**Protected Disclosure under the Whistle Blower policy**” or sent through email with the subject “**Protected Disclosure under the Whistle Blower policy**”.

If the complaint is not super scribed and closed as mentioned above, the disclosure will be dealt with as if a normal disclosure.

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

The contact details of the Vigilance Officer are as under:-

Name and Address – Mr. N.K Mahendru

Email- nkmahendru@aplapollo.com

In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants and they are not advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer.

Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer.

On receipt of the disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

INVESTIGATION

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

DECISION AND REPORTING

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

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 conduct and disciplinary procedures.

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

CONFIDENTIALITY

The complainant, Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

PROTECTION

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Disclosure under this policy. Adequate safeguards against victimisation of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Disclosure.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

DISQUALIFICATIONS

While it will be ensured that genuine Whistle Blowers 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 Whistle Blower knowing it to be false or bogus or with a mala fide intention.

Whistle Blowers, who make any Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

COMMUNICATION

Directors and Employees shall be informed of the Policy by publishing on the notice board and the website of the Company

RETENTION OF DOCUMENTS

All documents related to the reporting, investigation and enforcement of this policy, as a result of a report of questionable accounting or auditing matters, or the reporting of fraudulent financial information to the shareholders, the Government or the financial market or of serious misconduct or of the discrimination, retaliation or harassment of an employee that made such a report, shall be kept in accordance with the company's record for a minimum period of five (5) years from the date of receipt of complaint.

MODIFICATION OF POLICY

The audit committee or the board of directors of the company can review and modify this policy unilaterally at any time without notice. Modification may be necessary among other reasons to maintain compliance with laws and regulations and/or accommodation of organization changes within the company.