

Jai Balaji Industries Limited

***WHISTLE BLOWER POLICY - VIGIL
MECHANISM FOR DIRECTORS AND
EMPLOYEES***

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1. PREFACE

Companies with a diverse workforce often perform better and benefit from a more positive image in the marketplace. We at Jai Balaji Industries Limited (“the Company”) believe at providing equal treatment to all its directors and employees to help them meet their legal responsibilities and implement good practice at workplace thus maintaining highest standards of professionalism, honesty, business conduct and ethics.

In view of the above, this Whistle Blower policy has been formulated in accordance with the requirements of the Section 177 of the Companies Act, 2013 read with Part C of Schedule II of Listing Obligations & Disclosure Requirements, regulations, 2015 with a view to provide its directors and employees a mechanism to approach the Audit Committee/Chairman of Audit Committee so as to investigate and take actions against any wrongful conduct, improper/unethical malpractices, actual or suspected fraud or violation of the Company’s code of conduct or any other act that might cause financial/non-financial loss to the director/employee of the Company or might impact their goodwill.

2. OBJECTIVE

The objective behind establishment of the vigil mechanism is to deter wrong doing by providing the directors and employees of the Company a medium through which they could report genuine concerns w.r.t. any wrongful conduct, unethical practices etc. to the Audit Committee/Chairman of Audit Committee of the Company as well as provide them adequate safeguards against victimization.

3. APPLICABILITY

This mechanism has been established to address the genuine concerns of Directors and permanent employees of the Company.

4. CONCERNS NOT COVERED UNDER THE POLICY

- Career related or other personal grievances are excluded from the policy.

- Any matter already discussed or in the process of being addressed pursuant to disciplinary or other procedures of the Company cannot be addressed under the policy.
- Business and financial decisions taken by management cannot be questioned under the policy.

5. **SCOPE**

The scope of the vigil mechanism extends to any kind of genuine concerns w.r.t. any wrongful conduct, unethical/illegal practices as mentioned below:

- i. Manipulation of the data/records of the Company
- ii. Misuse of company's properties, assets and resources
- iii. Abuse of authority by any director/employee
- iv. Leaking confidential information of the Company
- v. Violation of the Company's code of conduct or any rules/regulations/laws
- vi. Forgery/fraud/corruption/Bribery
- vii. Physical/emotional violence
- viii. Any other matter that might cause financial/non-financial loss to the director/employee of the Company or might impact their goodwill

The above list is only illustrative and not exhaustive. Whether a particular issue raised by a director/employee is a genuine concern shall be decided by the Audit Committee/Chairman of the Audit Committee.

6. **PROCEDURE**

The Audit Committee of the Company shall oversee the vigil mechanism and shall also provide adequate safeguards against victimisation of directors and employees who avail of the mechanism. They shall also have direct access to the Chairperson of the Audit Committee, if the Audit Committee thinks fit and proper.

Any director/employee who observes any kind of wrongful conduct/unethical or illegal practice shall be required follow the following procedure to report the same to the Audit Committee/Chairman of Audit Committee:

i) intimate the concern addressing the Audit Committee/Chairman of Audit Committee verbally or in writing with a covering letter.

ii) furnish details of such case which should be factual and not speculative, along with the evidence, to enable the audit committee to carry out proper assessment of the concern.

iii) provide the details such as the background, grounds of raising the concern, documentary evidence and such other details as may be available. Further, the director/employee raising the concern shall be required to reveal his/her identity in the covering letter to facilitate proper investigation.

7. INVESTIGATION

On receipt of adequate details, the Audit Committee/Chairman of the Audit Committee shall carry out thorough investigation expeditiously in the manner stated hereunder:

i) The Audit Committee/Chairman of the Audit Committee may delegate responsibility for conducting the investigation process. Further, the Audit Committee may call for any information, documents as well as may carry out the examination of such director/employee as it may consider appropriate for the purpose of carrying out the investigation under the mechanism.

ii) The person against or in relation to whom the concern has been raised, will normally be informed of the allegations at the outset of a formal investigation and will have opportunities for providing his/her inputs during the investigation. He/she shall not interfere with the investigation and shall co-operate with the investigator.

iii) Based on such investigation, the Audit Committee shall determine the cause of action and order remedial measures which shall normally be taken within 45 days of the date of receipt of the concern by the audit committee or such time as the Committee may deem fit. The Audit Committee shall ensure complete fairness, objectivity, thoroughness etc.

iv) In case any director/employee feels that he/she has been victimised in employment related matters because of reporting any concern by availing this mechanism, he/she can submit a grievance to the audit committee/chairman of audit committee.

8. CONFIDENTIALITY

The Audit Committee shall ensure complete confidentiality of the issue raised and the internal review or investigative process shall be conducted without making any of the information public. However, it shall not be accountable for any information revealed inevitably during the investigation process.

9. MANAGEMENT ACTION ON FALSE DISCLOSURES

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure made by him and for legitimate reasons or cause under Company rules and policies.

10. LIST OF EXCLUSIONS –

The following types of complaints will ordinarily not be considered and taken up:-

1. Complaints that are illegible, if handwritten
2. Complaints that are vague, with pseudonyms
3. Complaints that are trivial or frivolous in nature
4. Matters which are pending before a court of Law, state National Human Rights Commission, tribunal or any other judiciary or sub judiciary body
5. Any matter that is very old from the date on which the act constituting violation is alleged to have been committed.
6. Issue raised, relates to service matters or personal grievance

11. DISQUALIFICATION

It shall be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment. However, any abuse of this protection will warrant disciplinary action. Further, repeated frivolous complaints will be disqualified and the Audit Committee/Chairman of Audit Committee may take appropriate disciplinary action against such Whistle Blowers.

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. However, no such amendment/modification shall be binding on the directors/employees unless they have been notified in writing.

13. CONTACT DETAILS

If any of the directors or employees thinks that they have been victimised in any way, they may contact any of the members of the Audit Committee/Chairman of the Audit Committee of the Company which has been empowered to oversee the vigil mechanism.

Date: 4th February, 2019