

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Section 177(9) read with Rule 7(1) of Chapter XII – Companies (Meeting of Board & its Powers) Rules, 2014

PREFACE

KLT AUTOMOTIVE AND TUBULAR PRODUCTS LIMITED (hereinafter called “the Company”) follows highest standards of business ethics and management practices in the conduct of its business. Directors and Employees are often the first to realise that there may be something not in order requiring redressal by the Company. The Company is committed to the highest possible standards of openness, probity and accountability. In line with that commitment, Company’s Directors and Employees, with concerns about any aspect of the Company, are encouraged to come forward and voice their concerns to the Management. Whistle Blower Policy is a device to help alert and responsible individuals to bring to the attention of the Management, promptly and directly, any unethical behavior, suspected fraud or irregularity in the Company practices without any fear or threat of being victimized.

Whistle Blower Policy expects Employees and Directors to be the guardian of Company’s core values and the corporate purpose. The spirit of the Policy is to foster a sense of collective responsibility in safeguarding the business interests. The Policy provides an avenue to report matters directly to the Management. The Policy also provides for reporting in confidence. Through this Policy, a vigil mechanism is established for every employee to report genuine concerns.

The assurance and co-operation from the Management in safeguarding the interest of the individuals who choose to report matters of principles to the Management is reinforced by the Whistle Blower Policy. In the process, it is also ensured that the Policy is not misused.

The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

POLICY

This Policy is for the Employees of KLT AUTOMOTIVE AND TUBULAR PRODUCTS LIMITED as defined hereinafter.

The Policy has been drawn up so that Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in heading “Coverage of Policy” of this policy.



DEFINITIONS

“Disciplinary Action” means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

“Employee” means every employee of the Company whether working in India or abroad including expatriates stationed in India

“Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence an unethical or improper activity under the “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative 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 or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

“Whistle Blower” is a Director or employee who makes a Protected Disclosure under this Policy.

“Vigilance Officer/Vigilance Committee or Committee” means an officer or Committee of persons who is nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee/Board of Directors for its disposal and informing the Whistle Blower the result thereof.

“Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014

THE GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;

Treat victimization as a serious matter including initiating disciplinary action on such person/(s);

Ensure complete confidentiality.

Not attempt to conceal evidence of the Protected Disclosure;





Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

Provide an opportunity of being heard to the persons involved especially to the Subject;

COVERAGE OF POLICY

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Gross or Wilful Negligence causing substantial and specific danger to public health, safety and environment
2. Manipulation of company data/records
3. Financial irregularities, including fraud, or suspected fraud
4. Criminal offence
5. Pilferation of confidential/propriety information
6. Deliberate violation of law/regulation
7. Wastage/misappropriation of company funds/assets
8. Breach of employee Code of Conduct or Rules
9. Any other unethical, biased, favoured, imprudent event

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

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 Protected Disclosures, which have been subsequently found to be *mala fide*, *frivolous* or *malicious*, shall be liable to be prosecuted as per existing policy of the Company.



MANNER IN WHICH CONCERN CAN BE RAISED:

Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.

The Contact details of the Ombudsperson are as under:

Mr. Jubin K. Thakkar
Chairman & Managing Director,
KLT Automotive & Tubular Products Limited
B-601, Elegant Business Park,
MIDC Road No. 2, J. B. Nagar, Andheri (E)
Mumbai-400 059

Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.

If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision will be documented.

Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.

Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.

The Ombudsperson/Whistle Officer/Committee shall:

- i) Make a detailed written record of the Protected Disclosure. The record will include:
 - a) Facts of the matter
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether any Protected Disclosure was raised previously against the same Subject;
 - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e) Findings of Ombudsperson/Whistle Officer/Committee;



- f) The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/other action/(s).
- ii) The Whistle Officer/Committee shall finalise and submit the report to the Ombudsperson within 45 days of being nominated /appointed. On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:
- a) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer /Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;
- b) In case the Protected Disclosure is not proved, extinguish the matter;

Or

- iii) Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Board with proposed disciplinary action/counter measures. The Board may decide the matter as it deems fit.

PROTECTION

No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

The identity of the Whistle Blower shall be kept confidential. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

SECRECY/CONFIDENTIALITY

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings

- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

REPORTING

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

AMENDMENT

The Company has the 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 modifications will be binding on the employees unless the same is notified to the employees in writing.

For **KLT Automotive & Tubular Products Limited**


Jubin K Thakkar
Chairman & Managing Director
Din No. 00001822



Date: 2nd June, 2018

Format of E-mail or written communication from Employee

To,
Shri. _____
Chairman & Managing Director

Subject: (eg: complaints, grievance, feedback)

Enter Message: (upto 500 characters)

Thanking you,
Yours faithfully

Name of the Employee:
Employee Code:

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