

# WHISTLE BLOWER POLICY

Secretarial & Legal

Version - I



REGD. OFFICE : NAIGAON, POST WALUJ, AURANGABAD 431 133.

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## 1. APPLICABILITY:

- 1.1 Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 requires every listed company and the companies belonging to the following class or classes to establish a vigil mechanism for their directors and employees to report their genuine concerns or grievances-
  - a. The Companies which accept deposits from the public;
  - b. The Companies which have borrowed money from banks and public financial institutions in excess of Rs. 50 Crores.
- 1.2 Further SEBI has revised the Clause 49 of the Listing Agreement between listed companies and the Stock Exchange/s vide its circular No. CIR/CFD/Policy Cell/2/2014 dated 17.04.2014. The revised Clause 49 of the Listing Agreement *inter alia*, provides for a mandatory requirement for all listed companies to establish a mechanism called 'Whistle Blower Policy' for its directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- 1.3 Garware Polyester Limited (GPL / the Company) has adopted 'Code of Conduct' hereinafter referred to as the 'Code' approved by the Board in its meeting held on 20-4-2005 And revised from time to time.
- 1.4 In view of the above, it is mandatory for Garware Polyester Limited, to establish a Vigil Mechanism and to formulate a Whistle Blower Policy accordingly.

## 2. POLICY OBJECTIVES

- 2.1. The objective of this policy is to maintain and promote highest standards of ethical, moral and legal conduct of business operations and provide for adequate measures and safeguards against the victimization of its director(s) / employee(s), who have or report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism also provides for direct access to the Chairman of the Audit Committee in exceptional cases.
- 2.2. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.



2.3. Everyone is required to report to the Company any suspected violation of any law that applied to the Company and any suspected violation of the Company's code of conduct and Ethics. It is important that all suspected violations are reported. This includes possible accounting and financial reporting violations, insider trading, bribery or violation of the anti-retaliation aspects of this policy. Retaliation includes adverse actions, harassment, or discrimination in one's employment relating to one's reporting of a suspected violation.

### **3. SCOPE OF THE POLICY**

3.1. This Policy covers malpractices and events which have taken place / suspected to have taken place / about to take place, misuse or abuse of authority, fraud or suspected fraud, violation of any laws applicable to the operations of the Company, violation of the Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies / funds / property of the Company, and other matters or activity on account of which the interest of the Company is prejudicially affected. The policy further covers the procedures for formal reporting and redressal mechanism thereto.

### **4. DEFINITIONS**

4.1 **"Alleged wrongful conduct"** shall mean violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority".

4.2 **"Audit Committee"** means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Listing Agreement and Companies Act, 2013.

4.3 **"Board"** means the Board of Directors of the Company.

4.4 **"Company"** means Garware Polyester Limited including its branch offices and works.

4.5 **"Code"** means Code of Conduct for Directors and Senior Management Executives adopted by the Company includes revisions / amendments carried out thereto from time to time.



4.6 “**Director**” means a director appointed to the current Board of the Company whether executive or non-executive (whether working in India or abroad).

4.7 “**Employee**” means all the present employees of the Company (whether working in India or abroad).

4.8 “**Sensitive Disclosure**” means a concern raised by a director/employee or group of directors/employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

4.9 “**Subject**” means a person or group of persons against or in relation to whom a Sensitive Disclosure is made or evidence gathered during the course of an investigation.

4.10 “**Vigilance and Ethics Officer**” means an officer, who is an existing employee of the Company, appointed by the Audit Committee to receive Sensitive 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.

4.11 “**Whistle Blower**” is a director/employee or group of directors/employees who make a Sensitive Disclosure under this Policy and also referred in this policy as complainant.

## 5. ELIGIBILITY

All director(s) / employee(s) of the Company are eligible to make Sensitive Disclosures under the Policy in relation to matters concerning the Company.

## 6. RECEIPT AND DISPOSAL OF SENSITIVE DISCLOSURES.

6.1 All Sensitive Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure



a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.

- 6.2 The Sensitive Disclosure should be submitted in a closed and secured envelope and should be super scribed as **“Sensitive disclosure under the Whistle Blower policy”**.

Alternatively, the same can also be sent through email with the subject **“Sensitive disclosure under the Whistle Blower policy”**. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the Sensitive disclosure will be dealt with as if a normal disclosure.

In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.

- 6.3 Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 6.4 The Sensitive Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer / Chairman of the Audit Committee shall detach the covering letter bearing the identity of the Whistle Blower and process only the Sensitive Disclosure.
- 6.5 All Sensitive Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases. The suspected violations must be reported to (i) Vigilance and Ethics officer (ii) Chairman of the Audit Committee.



The contact details of the Vigilance and Ethics Officer is as under:-

**Name and Address : –**

Dr. V.V. Rakhunde  
President – HR & Administration  
Garware Polyester Limited,  
Garware Hose, 50-A Swami Nityanand Marg,  
Vile Parle (East), Mumbai – 400 057  
**Email- ...vvr@garwarepoly.com**

- 6.6 Sensitive Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman of the Audit Committee of the Company is as under:

**Name and Address of Chairman of Audit Committee is as follows : -**

Mr. T. M. Parikh  
Garware Polyester Limited,  
Garware Hose, 50-A Swami Nityanand Marg,  
Vile Parle (East), Mumbai – 400 057 Email- [tmparikh@garwarepoly.com](mailto:tmparikh@garwarepoly.com).

- 6.7 On receipt of the Sensitive disclosure the Vigilance and Ethics Officer / Chairman of the Audit Committee, as the case may be, shall make a record of the Sensitive Disclosure and also ascertain from the complainant whether he was the person who made the Sensitive disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

- a) Brief facts;
- b) Whether the same Sensitive Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether the same Sensitive Disclosure was raised previously on the same subject;



d) Details of actions taken by Vigilance and Ethics Officer / Chairman of the Audit Committee for processing the complaint

e) Findings of the Audit Committee

f) The recommendations of the Audit Committee/ other action(s).

6.8 The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

## **7. INVESTIGATION**

7.1 All Sensitive disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.

7.2 The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

7.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

7.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

7.5 Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.

7.6 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).

7.7 Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.





- 7.8 Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 7.9 The investigation shall be completed normally within 90 days of the receipt of the Sensitive disclosure and is extendable by such period as the Audit Committee deems fit.

## **8. DECISION AND REPORTING**

- 8.1 If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to take such disciplinary or corrective action as he may deem fit. It is clarified that 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.
- 8.2 The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Sensitive Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 8.3 In case the Subject is the Vigilance and Ethics Officer, the Chairman of the Audit Committee after examining the Sensitive Disclosure shall forward the Sensitive disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Sensitive Disclosure.
- 8.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.



## 9. SECRECY / CONFIDENTIALITY

- 9.1 The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
- a. Maintain confidentiality of all matters under this Policy,
  - b. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations,
  - c. Not keep the papers unattended anywhere at any time,
  - d. Keep the electronic mails / files under password.

## 10. PROTECTION

- 10.1 No unfair treatment will be meted out to a Whistle Blower /complainant by virtue of his/ her having reported a Sensitive 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 Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion 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 Sensitive Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Sensitive 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.
- 10.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his



identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

10.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

10.5 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

## **11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

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

## **12. COMMUNICATION**

12.1 A whistle Blower policy cannot be effective unless it is properly communicated to directors/employees. Directors/Employees shall be informed through by publishing in notice board and the website of the company.

## **13. RETENTION OF DOCUMENTS**

13.1 All Sensitive disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

**14. ADMINISTRATION AND REVIEW OF THE POLICY**

14.1 Head HR & Administration shall be responsible for the administration, interpretation, application and review of this policy. Head HR & Administration also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee and is responsible to oversee the implementation of the vigil mechanism.

**15. AMENDMENT**

15.1 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 or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

15.2 The Audit Committee or the Board of Directors of the Company can modify unilaterally at any time, among other reasons, to maintain compliance with federal, state or local regulations and/or accommodate organizational changes within the Company.

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