



KIRLOSKAR ELECTRIC COMPANY LIMITED

WHISTLE BLOWER POLICY

1. PREFACE

- 1.1 The Company believes in the conduct of the affairs of the Company in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- 1.2 The Company is committed to develop a culture where it is safe for all the employees to raise concerns about any poor or unacceptable practice or any event of misconduct.
- 1.3 Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 177 of the Companies Act, 2013 requires all listed entities to formulate a vigil mechanism for directors and employees to report genuine concerns where such a vigil mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avails the mechanism and also provides for direct access to the chairperson of the audit committee in appropriate or exceptional cases.
- 1.4 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It is to protect the employees who are willing to raise a concern about serious irregularities within the Company.
- 1.5 This Policy neither releases employees from their duty/responsibility of confidentiality in the course of their work, nor is it a route for taking up a grievance of a personal situation.

2. APPLICABILITY OF THE POLICY

This Policy is for:

- a. The Directors and employees to make Protected Disclosures in relation to matters concerning the Company.
- b. Whistle Blowers 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.
- c. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigation activities other than as requested by Audit Committee or the Investigators.
- d. All the Protected Disclosures will be appropriately dealt in accordance with the provisions of this Policy.

3. DEFINITIONS

- a. **Alleged Wrongful Conduct** shall mean violation of Law, infringement of Company's code of conduct or ethic policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.
- b. **Audit Committee** means a Committee constituted by the Board of Directors of the Company in accordance with applicable provisions of law and any amendments thereon, from time to time.
- c. **Company** means 'KIRLOSKAR ELECTRIC COMPANY LIMITED'
- d. **Compliance Officer** means the Company Secretary of the Company.
- e. **Disciplinary Action** means any action that can be taken on the completion of/during the investigation proceedings including but not limited 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.
- f. **Employee** means every employee of the Company (whether working in India or abroad), including the Directors in employment of the Company.
- g. **Protected Disclosure** means a concern raised by any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- h. **Subject** means a person(s) against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation under this Policy.
- i. **Whistle Blower (s)** is/are someone who makes a Protected Disclosure under this Policy.
- j. **Ombudsperson** will be a Non-Executive Director for the purpose of receiving all complaints under this Policy and ensuring appropriate action. In the first instance, the Board shall appoint this Ombudsperson. The Board shall have the authority to change the Ombudsperson from time to time.
- k. **Investigators** means those persons, including any internal committee, third party service providers, authorized, appointed, consulted or approached by the Audit Committee from time to time to conduct a detailed investigation of the Protected Disclosure received from the Whistle Blower and recommend disciplinary/ corrective action. In case an "Internal Committee" is constituted for investigation by the Audit Committee, then such Committee shall be headed by an Independent Director with representation from senior management personnel of the Company.

4. 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:

- i. Ensure that the Whistle Blower(s) and/or the person processing the Protected Disclosure is not victimized for doing so;
- ii. Treat victimization as a serious matter including initiating disciplinary action on such person/(s) who may attempt to victimize the whistleblower (s) ;
- iii. Ensure complete confidentiality;
- iv. Not attempt to conceal evidence of the Protected Disclosure;
- v. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- vi. Provide an opportunity of being heard to the persons involved especially to the Subject;
- vii. The Whistle Blower should bring to the attention of the competent authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.

5. COVERAGE OF POLICY/WHAT TO REPORT

- a. The Policy covers “Improper or Unethical Activity” which have taken place/ suspected to have taken place involving:
 - Abuse of authority;
 - Breach of contract;
 - Negligence causing substantial and specific danger to public health and safety;
 - Manipulation of company data/records;
 - Financial irregularities, including fraud, or suspected fraud or deliberate error in preparations of Financial Statements or misrepresentation of financial reports;
 - Any unlawful act whether Criminal/ Civil;
 - Pilferage of confidential/propriety information;
 - Deliberate violation of law/regulation;
 - Wastage/misappropriation of company funds/assets;
 - Breach of employee Code of Conduct/Ethics, Company’s Insider Trading Policies (including leak or suspected leak of UPSI), or any other policy of the Company; and
 - Any other unethical, biased, favored, imprudent event/ behavior.
- b. Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

6. DISQUALIFICATIONS

- a. While it will be ensured that genuine Whistle Blower(s) are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower(s) knowing it to be false or bogus or with a mala fide intention.
- c. Whistle Blower(s), who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable for disciplinary action under Company's Code of Conduct

7. MANNER IN WHICH CONCERN CAN BE RAISED

- a. Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than 15 consecutive days after becoming aware of the same. This timeline should not be breached by the Employees while making such Disclosures.

Notwithstanding the above, in the genuine case(s) where the Ombudsperson is convinced that due to reason(s) which are note worthy to give consideration, may take up the allegations for primary investigation, despite the fact that the time limit specified above has exceeded.

- b. The Protected Disclosure form as annexed with the Policy should be inserted in an envelope which should be closed / secured / sealed. The envelope thus secured / sealed should be addressed to the ombudsman and should be super scribed "Protected Disclosure". (If the envelope is not super scribed and closed /sealed / secured, it will not be possible to provide protection to the whistle blower as specified under this policy).
- c. Anonymous disclosures will be investigated only in exceptional cases at the discretion of the Audit committee based on the prima facie of the substance.
- d. Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the whistle blower and should provide a clear understanding of the Improper Activity involved or issue / concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- e. The allegations brought before the Ombudsperson will be taken up for initial inquiry within 15 consecutive days from the date of receipt of such Disclosures. If initial enquiries by the

Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigated or pursued under this Policy, it may be dismissed at this stage itself and the decision is documented. In all such cases whether the allegation is genuine or not, the Ombudsperson will place these details before the Audit Committee.

- f. Where initial enquiries indicate that further investigation is necessary, a written report of the findings would be made not later than 15 days from the commencement of such initial enquiry to the Audit Committee. Thereafter an investigation will be carried out through investigator(s) in a fair manner, as a neutral fact-finding process and without presumption of guilt, as directed by Audit Committee, who will investigate/ oversee the investigations under the authorization of the Audit Committee.
- g. Name of the Whistle Blower(s) shall not be disclosed to the investigator(s).
- h. The detailed procedures for an investigation shall be outlined by the Audit Committee considering the nature and gravity of the complaint. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- i. The Investigators shall have right to call for any information/ document and examination of any employee of the company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.
- j. The Ombudsperson/ investigator(s) shall:
 - i. Make a detailed written record of the Protected Disclosure.
 - ii. The investigator (s) shall finalize and submit the report to the Ombudsperson within 15 days of being nominated/ appointed.
 - iii. On submission of report, the investigator (s) shall discuss the matter with Ombudsperson who shall either:
 - a. In case the Protected Disclosure is proved, accept the findings of the investigator (s) and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter within 7 days from the receipt of such report from the investigator (s); or
 - b. In case the Protected Disclosure is not proved, extinguish the matter not later than 7 days from the from the receipt of such report from the investigator (s) and the same may be promptly communicated to the Subject; or

- c. Depending upon the seriousness of the matter, the Ombudsperson may refer the matter to the Audit Committee with proposed disciplinary action/counter measures. The Audit Committee shall ensure that the Whistle Blower is fully protected in terms of his identity and any retaliatory action against him. Any person, who may be found to be taking such retaliatory action against the Whistle Blower, will be subject to the strictest disciplinary action including termination, or for civil/ criminal or administrative penalties.
- iv. In exceptional cases, where the Whistle Blower(s) /Subject is not satisfied with the outcome of the investigation and the decision, he/she can make a direct appeal to the Chairman of the Audit Committee within 15 days from the receipt of such outcome.
- v. The decision of Audit Committee chairman shall be final and binding.
- vi. **How to Report:** The whistle blower has to submit the 'Protected Disclosure' form to Ombudsperson and the Ombudsperson is:

Name: Mr. Anil Kumar Bhandari
Title: Director (Non-Executive) of the Company
Concerns can be emailed or posted to the Ombudsperson, to the below mentioned details: Email: whistleblower@kirloskarelectric.com
Postal Address: No.12, Ali Asker Road, Bangalore-560052, Karnataka, India
- vii. If the Whistle Blower believes that there is a conflict of interest between the Competent Authority for Inquiry and Investigation and the whistle blower, he may send his protected disclosure directly to the Chairperson of the Audit Committee in such exceptional case.
- viii. Details of the Chairperson of the Audit Committee:

Name: Mr. Kamlesh Gandhi
Title: Chairperson of the Audit Committee and Independent Director of the Company
Email: kamleshg@gmail.com
Postal Address: Flat 6, 3rd floor, Palm Grove, 26, Pushpak Park, Lane 4, off. ITI road, next to Taneira showroom, Pune 411007.

8. PROTECTION

- a. No unfair treatment will be meted out to a Whistle Blower(s) 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 the Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation or 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(s) is/are required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower(s) to receive advice about the procedure, etc.

- b. The identity of the Whistle Blower(s) shall be kept confidential.
- c. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as that of the Whistle Blower(s).

9. SECRECY/CONFIDENTIALITY

The Whistle Blower(s), the Subject, the Whistle Officer(s) 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.

10. REPORTING

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

The Company shall annually affirm that it has not denied any employee access to the Audit Committee and that it has provided protection to the Whistle Blower from adverse action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

11. NOTIFICATION

All the department heads are required to notify and communicate the existence and contents of this policy to the employees of their department. Every departmental head shall submit a certificate duly signed by him to the compliance officer that this policy was notified to each employees of his department. The new employees shall be informed about the policy by the HR department and statement in this regard should be periodically submitted to the Compliance Officer.

12. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of three years.

13. AMENDMENT

The Board has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

Note: It is mandatory for each employee to go through the handbook in detail for a clear understanding of all aspects of the policy.

Please contact Compliance Officer for any clarification required

The Whistle Blower Policy is also available on our website: <https://kirloskarelectric.com/>



KIRLOSKAR ELECTRIC COMPANY LTD.,

Protected Disclosure Form
(For Employees of Kirloskar Electric Company Limited)

Name of the Whistle Blower(s)

Designation:..... Department/ Division:.....

Job class/ Grade:..... Location:.....

Date of Joining:..... Contact Number:.....

E-mail:.....

Correspondence Address:

I hereby declare, that the accompanying statements and supporting documentation (if any) is true and correct, to the best of my knowledge and in complete good faith.

Date: _____

Signature of the Whistle Blower(s)

Regd. Office: No. 19, 2nd Main Road, Peenya 1st Stage, Phase -1, Peenya, Bengaluru, Karnataka, 560058
T+91 80 2839 7256, F +91 80 2839 6727; Email Id: investors@kirloskarelectric.com
Customer care no.: 1800 102 8268, website: www.kirloskarelectric.com
CIN: L31100KA1946PLC000415

Name of the Investigation Subject..... Designation.....

Department/Division Job class/Grade.....

In case of Multiple Subjects:

Name of the 2nd Investigation Subject..... Designation.....

Department/Division Job class/Grade.....

Name of the 3rd Investigation Subject..... Designation.....

Department/Division Job class/Grade.....

(if the space provided is not sufficient, attach a separate sheet)

Nature of "Code of Conduct" Violation:

Sequence of events (please provide Date/Time/Place)

Source of Information:

Role of the Subject(s):

Other individuals involved:

Perceived Outcome of the Violation

Any Other information that you may like to provide:

List of Attachments:

1..... 2.....

3..... 4.....