



KALPATARU POWER TRANSMISSION LTD.

WHISTLEBLOWER POLICY

**{With effect from November 15, 2014}
(Amended with effect from April 1, 2019)**

**Implementation: Whistleblower Investigation Committee
Monitoring: Audit Committee**

Custodian: Human Resource (HR) Department

Corporate Office: Kalpataru Synergy, 7th Floor, Opp. Grand Hyatt,
Santacruz (East), Mumbai 400055, India, Tel:022 30645000

Regd. Office: 101, Part III, G. I. D. C. Estate, Sector-28, Gandhinagar-
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Whistle Blower Policy

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1. **PURPOSE**

This purpose of this Policy is to establish a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Ethics and Code of Conduct. This Policy provides for adequate safeguards against victimization of director (s) / employee(s) and provides opportunity to director (s) / employee(s) to access in Good Faith, to the WBIC in case they observe Unethical and Improper Practices or any other wrongful conduct in the Company.

In line with our vision and values, which we cherish in our organization and as a part of good corporate governance, this Policy has been formulated. The Policy is meant to encourage director (s) / employee(s) to report to the WBIC for rectification, addressing and redressing if they find or observe anything wrong and / or instances having an adverse effect on the Company's financials and image. No Adverse Personnel Action shall be taken or recommended against a director(s) / employee(s) in retaliation to his disclosure in Good Faith of any Unethical and Improper Practices or Alleged Wrongful Conduct. This Policy protects such director(s) / employee(s) from unfair termination and unfair prejudicial employment practices.

However, this Policy does not protect a director(s) / employee(s) from an adverse action which occurs independent of his disclosure of unethical and improper practice or Alleged Wrongful Conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this Policy. This Policy shall be disclosed by the Company on its web site and in the Board's report.

2. **DEFINITIONS**

"Adverse Personnel Action " means an employment-related act or decision or a failure to take appropriate action by Managerial Personnel which may affect the director(s) / employee(s) employment, including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges.

"Alleged Wrongful Conduct" shall mean violation of law, infringement of Company's Ethics and Code of Conduct policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

Alleged Wrongful Conduct as illustrated below may include but is not limited to:

- Forgery, falsification or alteration of documents;
- Unauthorized alteration or manipulation of computer files internet data;
- Fraudulent reporting, willful material misrepresentation;
- Pursuit of a benefit or advantage in violation of the Company's interest;
- Misappropriation/misuse of Company's resources, like funds, supplies, vehicles or other assets;
- Improper use of authority;
- Unauthorized release of proprietary information;
- Theft of cash;
- Theft of goods/services;

- Falsification, destruction of Company records;
- Solicitation accepting, Kickbacks, bribes, expensive gifts, directly or indirectly from business connections including vendors and contractors (for this purpose, gifts I complimentary etc.);
- Authorizing/receiving compensation for goods not received/ services not performed;
- Authorizing or receiving compensation for hours not worked;
- Fraudulent insurance claims; or
- Providing (unauthorized) confidential information to external agencies.
- Leak of Unpublished Price Sensitive Information

Matters pertaining to the following may be excluded as there are separate forum available for the same:

- Personal grievances;
- Dissatisfaction with appraisals and rewards;
- Complaints relating to service conditions;
- Sexual harassment [see Anti Sexual Harassment Policy];
- Suggestions for improving operational efficiencies.

"Audit Committee" means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with provision of the Companies Act 2013, read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Company" means Kalpataru Power Transmission Limited.

"Good Faith" : A Director(s) / employee(s) shall be deemed to be communicating in good faith if there is a reasonable basis for communication of Unethical and improper Practices or any other Alleged Wrongful Conduct. Good Faith shall be deemed lacking when the director(s) / employee(s) does not have personal knowledge or a factual basis for the communication or where the director(s) / employee(s) knew or reasonably should have known that the communication about the Unethical and Improper Practices or Alleged Wrongful Conduct is malicious, false or frivolous.

"Managerial Personnel" shall include a Director, Key Management Personnel and the members of the WBIC who has authority to make or materially influence significant personnel decisions.

"Policy" means the Whistleblower Policy (WBP).

"Unethical and Improper Practices " shall mean -

- a) an act which does not conform to approved standards of social and professional behavior; or
- b) an act which leads to unethical business practices; or
- c) improper or un ethical conduct; or
- d) breach of etiquette or morally offensive behavior, etc.

"Unpublished Price Sensitive Information" or **"UPSI"** means any information, relating to the company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel

"WBIC" shall mean the whistleblowing investigating committee constituted by the Company. The WBIC shall comprise of the (i) Chief Financial Officer, (ii) Head HR (iii) Head -Legal and (iv) Head - Internal Audit and Assurance or as may be constituted by the Audit Committee from time to time.

"Whistleblower" shall mean a director(s)/employee(s) of the Company who discloses in Good faith; any Unethical and Improper Practices or Alleged Wrongful Conduct.

Words and expressions used and defined and/or used but not defined in this Policy shall have the same meaning assigned to them in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") or the Companies Act, 2013 ("Act") and the rules and regulations made thereunder, to the extent relevant in connection with this Policy, as the case may be or in any amendment thereto. Where any stipulation is common between the applicable Laws, more stringent of them shall be complied with.

3. APPLICABILITY

This Policy applies to all director(s)/ employee(s) of the Company. Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation (s) as amended from time to time.

This Policy is an internal policy on disclosure by director(s) / employee(s) of any Unethical and Improper Practices or wrongful conduct. This also provides a mechanism for reporting to the supervisor / manager or in case it involves Managerial Personnel, access to the WBIC or in exceptional cases access to the Chairman of the Audit Committee.

This Policy prohibits the Company from taking any adverse action against its director(s) / employee(s) for disclosing in Good Faith any Unethical and Improper Practices or Alleged Wrongful Conduct to the Head of Department or to the WBIC. Any director(s) / employee(s) against whom any Adverse Personnel Action has been taken due to his disclosure of information under this Policy may approach the WBIC.

Pursuant to provisions of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 to be effective from 1st April, 2019, this Policy was amended by the Board of Directors at its meeting held on 22nd March, 2019 and the amended Code shall be effective from 1st April, 2019.

4. FALSE COMPLAINTS

A director(s) / employee(s) who knowingly make false allegations of Unethical and Improper Practices or Alleged Wrongful Conduct to the WBIC 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 a director(s) / employee(s) against whom an Adverse Personnel Action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

5. REPORTING MECHANISMS

Director(s) / employee(s) should raise Unethical and Improper Practices with someone who is in a position to address them appropriately. An employee(s)' supervisor, manager or point of contact is in the best position to address an area of concern. Supervisors, manager's or points of contact to whom Unethical and Improper Practices are raised are required to report the same immediately to WBIC.

Notwithstanding the aforesaid, employee can lodge a complaint in one of the following ways:

- by writing a letter to Head HR at Kalpataru Power Transmission Limited, 101, Part III, G.I.D.C. Estate, Sector-28, Gandhinagar - 382028, Gujarat, India; or
- by sending an email to wbp@kalpatarupower.com; or
- by sending a complaint letter in a sealed envelope marked "**Private and Confidential**" to the Chairman of the Audit Committee, Kalpataru Power Transmission Limited, 101, Part III, G.I.D.C. Estate, Sector-28, Gandhinagar - 382028, Gujarat, India.

Whistleblower must put his/ her name to lodge a complaint as follow-up questions and investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily NOT be investigated by the WBIC.

Although a Whistleblower is not required to furnish any more information than what he/ she wishes to disclose, it is essential for the Company to have all critical information in order to enable the Company to effectively evaluate and investigate the complaint. It is difficult for the Company to proceed with an investigation on a complaint which does not contain all the critical information such as the specific charge. The complaint or disclosure must therefore provide as much detail and be as specific as possible, including names and dates, in order to facilitate the investigation.

To the extent possible, the complaint or disclosure must include the following:

1. The director(s) / employee(s), and /or outside party or parties involved;
2. The sector of the Company where it happened (division, office);
3. When did it happen: a date or a period of time;
4. Type of concern (what happened);
5. Submit proof or identify where proof can be found, if possible;
6. Who to contact for more information, if possible; and /or
7. Prior efforts to address the problem, if any.

In the event a director (s) wish to raise a complaint or disclosure under this Policy, he/ she shall consult the Chairman of the Company and /or the Chairman of the Audit Committee. All such complaint or disclosure by director(s) shall be taken forward as per the directions of the Chairman of the Audit Committee.

In the event the complaint or disclosure is in conflict of interest with members of the WBIC or the Chairman of the Company, the Whistleblower may send a complaint letter in a sealed envelope marked "**Private and Confidential**" to the Chairman of the Audit Committee, Kalpataru Power Transmission Limited, 101, Part III, G.I.D.C. Estate, Sector- 28, Gandhinagar - 382028, Gujarat, India. In exceptional or appropriate cases including when the Whistleblower believe that his/her concern is not being properly addressed or investigated, the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

SEBI (Prohibition of Insider Trading) Regulations, 2015 mandates every Listed Company to formulate a written Policy and Procedures for inquiry in case of leak of USPI or suspected leak of USPI and initiate appropriate inquiries on becoming aware of leak of USPI or suspected leak of USPI and inform the SEBI promptly of such leaks, inquiries and results of such inquiries.

Accordingly, in case if the Complaint is related to leak of USPI or suspected leak of UPSI, the complainant shall follow the procedure stated under "Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ("**Leak of UPSI Policy**")." In this regards, in case if complaint is received by Head HR / any other competent person, it shall forward the same to Compliance Officer as per Leak of UPSI Policy. In case if the Complaint is against the Compliance Officer himself, it shall be forwarded to Managing Director as per Leak of UPSI Policy.

6. INVESTIGATIONS

A perceived wrongdoing or an act for whistleblowing should be reported by a Whistleblower in written form only. Written reports should be sent to the Head - HR by way of a confidential letter or may be personally handed over to him / her.

Any Director(s) /employee(s) who observe any Unethical and Improper Practices or Alleged Wrongful Conduct shall make a disclosure as soon as possible but preferably not later than sixty (60) consecutive calendar days after becoming aware of the same. The Head HR shall immediately forward the Whistleblower's complaint/disclosure report to the WBIC. WBIC shall acknowledge receipt of the complaint/disclosure to the Whistleblower within seven (7) days of the receipt of the complaint/disclosure.

WBIC shall appropriately and expeditiously investigate the complaint /disclosure received. In this regard, WBIC may authorize a committee of Managerial Personnel to investigate into the matter and prescribe the scope and time limit there:

- WBIC shall provide a detailed outline for the investigation
- Audit Committee shall have right to outline detailed procedure for an investigation.
- Where the WBIC / Audit Committee had designated a senior executive or a committee of Managerial Personnel for investigation, they shall mandatorily adhere to scope and procedure outlined by WBIC / Audit Committee for investigation.
- The WBIC or officer or committee of Managerial Personnel, as the case may be, shall have right to call for any information /document and examination of any director (s)/ employee(s) of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this Policy.

The WBIC shall inquire in respect of the Whistleblower's complaint/disclosure and after inquiry/ investigation the WBIC shall report the findings to the Managing Director of the Company, who shall consider the same. The final report shall be place before the Chairman of the Audit Committee by the WBIC or the Chairman of the Company so that the Chairman of the Audit Committee can keep an oversight of the investigations as per the provision of the Companies Act 2013 and relevant SEBI guidelines in force.

The decision of WBIC or the Chairman of the Company or the Chairman of the Audit Committee shall be final and binding. If and when the WBIC is satisfied that the alleged unethical and improper practice or wrongful conduct existed or is in existence, then the WBIC may -

- a) recommend to the Managing Director to reprimand, take disciplinary action, impose penalty / punishment, order recovery when any alleged unethical and improper practice or wrongful conduct of any director(s) / employee(s) is proved.
- b) recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

Managing Director shall pass necessary orders in consultation with HR / Business head concerned. All final report(s) shall be placed before the Audit Committee on quarterly basis for overview of the same.

In case of complaint related to leak of UPSI or suspected leak of UPSI, the Inquiry procedure and disciplinary action procedure as stated in Leak of UPSI Policy shall be adhered to and followed with.

7. NON RETALIATION / PROTECTION TO WHISTLE BLOWER

No personnel who, in Good Faith, makes a disclosure or lodges a complaint in accordance with this Policy shall suffer reprisal, discrimination or adverse employment consequences. Any personnel who retaliates against a Whistleblower who has raised a matter in Good Faith, will be subject to strict disciplinary action up to and including immediate termination of employment or termination of his/her relationship with the Company.

If any personnel who makes a disclosure or complaint in Good Faith, believes that he / she is being subjected to discrimination, retaliation or harassment for having made a report under this Policy, he /she must immediately report those facts to his / her supervisor, manager or point of contact, or the WBIC. If, for any reason, he/ she does not feel comfortable discussing the matter with these persons, he/she should bring the matter to the attention of the Managing Director / Chairman of the Company. It is imperative that such personnel bring the matter to the Company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately.

8. MODIFICATION

The Company may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, state and central regulations and/or accommodate organizational changes within the Company.

9. CONTACT ADDRESS

For the purpose of registering any complaint or for any questions/ query on this WBP please contact the Company at the following address:

Head HR
Kalpataru Power Transmission Limited
10 1, Part III, G.I.D.C. Estate
Sector - 28
Gandhinagar -: 382028
Gujarat, India

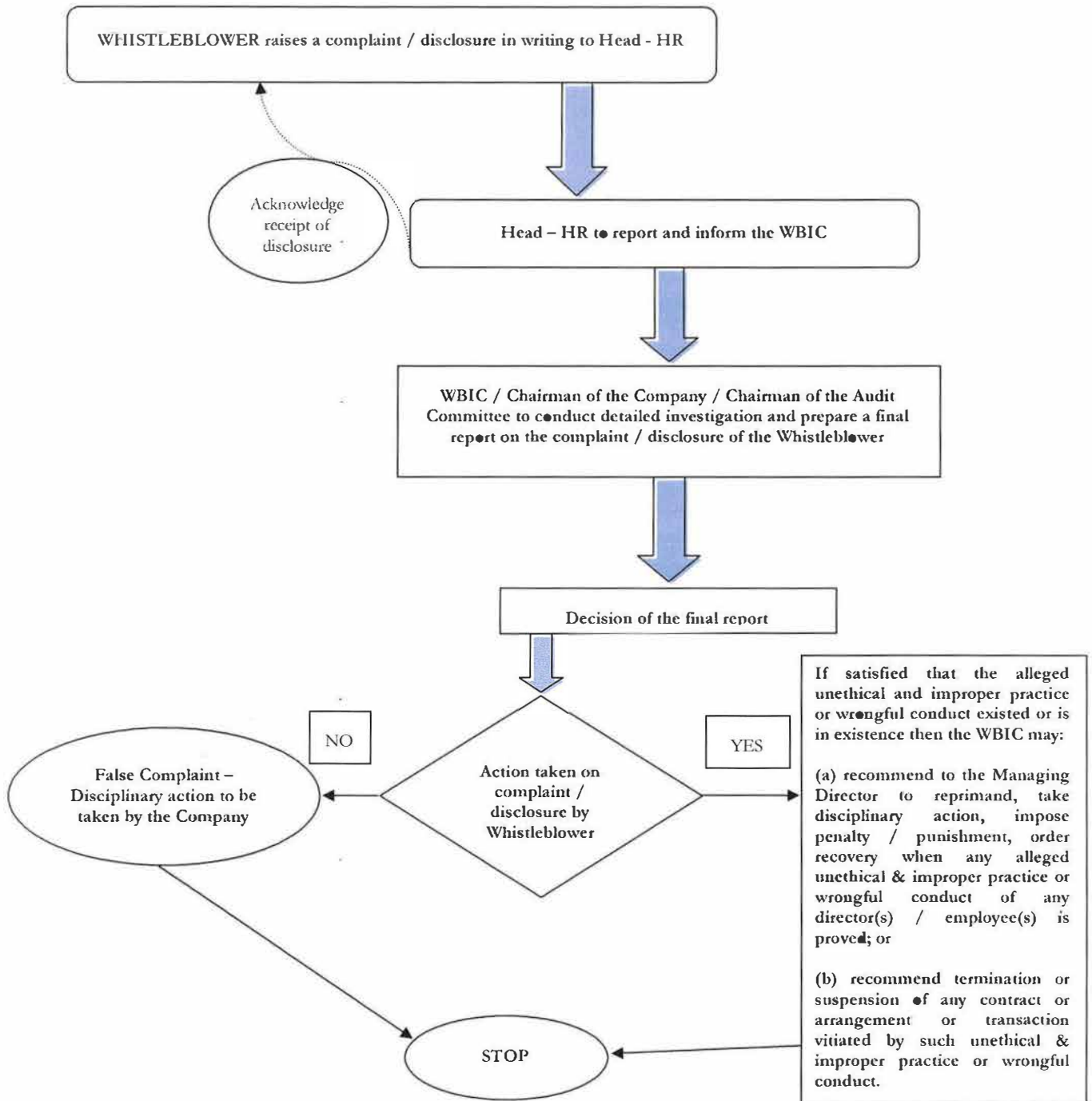
In case if the Complaint is related to leak of USPI or suspected leak of UPSI, the complainant shall follow the procedure stated under Leak of UPSI Policy.

10. SECRECY / CONFIDENTIALITY

The Whistleblower, WBIC, Audit Committee, person against whom concerned are raised 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 documents/papers unattended anywhere at any time;
- d) keep the electronic mails/ files under proper custody; and
- e) not to reveal or disclose to media, press agency and /or any other persons.

11. PROCESS FLOW CHART



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