

# **PASUPATI SPINNING & WEAVING MILLS LTD**

## **WHISTLE BLOWER POLICY**

### **INTRODUCTION**

The Company believes in the conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour, accordingly, the company has proposed to formulate **Whistleblower/ Vigil Mechanism Policy**.

### **OBJECTIVE**

1. To provide an avenue for employees to report to the management concerned about unethical behaviour, act or suspected fraud or violation of the Company's Code of conduct policy
2. To provide employees an avenue to raise concerns, in line with Pasupati Spinning & Wvg Mills 's commitment to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication.
3. To provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith.

### **SCOPE**

All permanent employees including Directors of the Company are covered under the Whistle Blower/ Vigil Mechanism Policy.

### **COVERAGE OF POLICY**

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

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

**Policy should not be used for raising malicious or unfounded allegations against colleagues.**

### **COMPLAINANT (WHISTLEBLOWER)**

An employee making a disclosure under this policy is commonly referred to as a complainant (whistleblower). The complainant's role is as a reporting party, he/she is not an investigator. Although the complainant is not expected to prove the truth of an allegation, the complainant needs to demonstrate, that there are sufficient grounds for concern. The Complaint shall be made in writing and same can be submitted personally or sent by post or email or fax to the Chairman of Audit Committee (Ombudsman) . While making disclosure, the complainant shall disclose his name and designation, however the same will be kept confidential.

## **SAFEGUARDS**

### **i) Harassment or Victimization**

Harassment or victimisation of the complainant will not be tolerated and could constitute sufficient grounds for dismissal of the concerned employee.

### **ii) Confidentiality**

Every effort will be made to protect the complainant's identity, subject to legal constraints.

### **iii) Anonymous Allegations**

Complainants must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously WILL NOT BE usually investigated BUT subject to the seriousness of the issue raised the Ombudsman can initiate an investigation independently.

### **iv) Malicious Allegations**

Malicious allegations by employees may result in disciplinary action.

## **DISQUALIFICATIONS**

i) 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.

ii) 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.

iii) Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide* or malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.

## **OMBUDSMAN**

All Protected Disclosures should be addressed to the Whistle and Ethics Officer of the Company or to the Chairman of the Audit Committee/ or to Chairman in exceptional cases.

The contact details of the **Whistle & Ethics Officer** are as under:

Mr. Vidit Jain (Whole Time Director)

1501, Nirmal Tower, Barakhamba Road, New Delhi-110001

Email> **vidit@pasupatitextiles.com**

The contact detail of Audit Committee Chairman are given below

Name: **Mr. Ghanshyam Das Gupta**

Contact Address:- **D-9/17, Model Town , Delhi-110009**

### **OMBUDSMAN ROLE AND RESPONSIBILITIES**

- ✓ Ensure that the policy is being implemented.
- ✓ Ascertain prima facie the credibility of the charge. If initial enquiry indicates further investigation is not required, close the issue.
- ✓ Document the initial enquiry. Where further investigation is indicated carry this through, appointing a Committee if necessary.
- ✓ Provide quarterly reports to the Managing Director.
- ✓ Ensure that necessary safeguards are provided to the complainant.
- ✓ Conduct the enquiry in a fair, unbiased manner.
- ✓ Ensure complete fact-finding.
- ✓ Maintain strict confidentiality.
- ✓ Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom.
- ✓ Recommend an appropriate course of action suggested disciplinary action, including dismissal, and preventive measures.

### **REPORTING**

The Whistle & Ethics officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

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

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.

### **INVESTIGATION**

All complaints received will be recorded and looked into. If initial enquiries by the Ombudsman indicate that the concern has no basis, or it is not a matter to be pursued under this policy, it may be dismissed at this stage and the decision documented. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsman alone, or by a Committee nominated by the Ombudsman for this purpose.

### **INVESTIGATION RESULT**

Based on a thorough examination of the findings, the Ombudsman would recommend an appropriate course of action to the Managing Director. Where an improper practice is proved, this would cover suggested disciplinary action, including dismissal, if applicable, as well as

preventive measures for the future. All discussions would be minuted and the final report to be prepared.

### **CHANGES OF POLICY**

This policy can be changed, modified, rescinded or abrogated at any time by the Company.

### **ACCOUNTABILITIES FOR EMPLOYEES**

1. Bring to early attention of the company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern.
2. Avoid anonymity when raising a concern.
3. Co-operate with investigating authorities, maintaining full confidentiality.
4. The intent of the policy is to bring genuine and serious issues to the notice of Management and it is not intended for petty complaints. Malicious allegations by employees may attract disciplinary action.

**By order of the Board**

**for PAUPATI SPG & WVG MILLS LTD**

**RAMESH KUMAR JAIN  
MANAGING DIRECTOR**

**PLACE: NEW DELHI  
12-8-2014**