

WHISTLE BLOWER POLICY

**VOLTAMP TRANSFORMERS LIMITED
("VTL")**

WHISTLE BLOWER POLICY

1. Preface

- a. The Company believes in the conduct of its business in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- b. Section 177 read with Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and revised Clause 49 of the Listing Agreement, *inter-alia*, provides, a mandatory requirement, for all listed companies to establish a mechanism called "Vigil Mechanism (Whistle Blower Policy)" for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

Further, Clause 49 of the Listing Agreement entered into with the Stock Exchanges has been recently amended which, *inter alia*, provides for a mandatory requirement for all listed companies to establish a Vigil Mechanism called the 'Whistle Blower Policy' for directors and employees to report concerns of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

- c. The policy has been formulated with a view to provide a framework to promote responsible and secure whistle blowing for protection of directors and employees wishing to raise a concern about serious irregularities within the Company.

2. Definitions

- **"Code / Code of Conduct"** means Code of Conduct adopted by the Company.
- **"Director"** means a Director on the Board of the Company whether whole-time or otherwise.
- **"Disciplinary Action"** means any action that can be taken on the completion of / during the investigation proceedings including a warning, imposition of fine/penalty, suspension from official duties or any such action which is deemed fit considering severity of the matter.
- **"Employee"** means every employee of the Company.

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- **“Investigators”** mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee and includes the auditors of the Company and the police.
- **“Protected Disclosure”** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- **“Subject”** means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- **“Whistle Blower”** means a person who makes a Protected Disclosure under this Policy.

3. Scope

- a. The Whistleblower’s 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.
- b. Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the Audit Committee or the Investigators.
- c. Protected Disclosure will be appropriately dealt with by the Chairman of the Audit Committee, as the case may be.

4. Eligibility

All employees and directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

5. Disqualifications

- a. The Genuine Whistle Blowers will be accorded protection from any kind of unfair treatment / victimization. However, 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 knowing it to be false or bogus or *frivolous* or *malicious* or with a *mala fide* intention.

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- c. 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 and may be disqualified from reporting further Protected Disclosure under the policy.

6. Procedure

- a. All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- b. The contact details of the Chairman of the Audit Committee are as under: Shri Arvind N. Shelat, residing at 101, Riya Residency, Kalpana Society, Race Course Circle, Vadodara 390 007, Gujarat.
- c. If a protected disclosure is received by any executive of the Company other than Chairman of Audit Committee, the same should be forwarded to the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- d. The Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower.
- e. The Protected Disclosure should be forwarded under a covering letter which may bear the identity of the Whistleblower. The Chairman of the Audit Committee shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- f. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- g. The Whistleblower shall disclose his/her identity in the covering letter forwarding such Protected Disclosure with a view to provide protection to the Whistle Blower.
- h. The Protected Disclosures reported by any whistle blower without disclosing his name / identity shall not be entertained normally. However, the Chairman of the Audit Committee of the Company may entertain the same, at his discretion.

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- i. Any Protected Disclosures, which does not contain important substance relating to the operations of the Company, may be disposed of by the chairman of the Audit Committee / Investigators, without giving any reason to the Whistle Blower.

7. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself / herself and the other members of the Audit Committee should deal with the matter on hand.
- b. The Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- c. The decision to conduct an investigation taken by the Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f. Subjects shall have a duty to co-operate with the Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- g. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.

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- i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- j. Subjects have a right to be informed of the outcome of the investigation.
- k. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

8. Protection

- a. 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 the Whistle Blower. Complete protection will, therefore, be given to the 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.
- b. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- c. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

9. Investigators

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.

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- c. Investigations will be launched only after a preliminary review which establishes that:
 - I. the alleged act constitutes an improper or unethical activity or conduct, and
 - II. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

10. Decision

If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Chairman of the Audit Committee deems 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.

11. Reporting

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

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 seven years.

13. Amendment

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 the employees and directors in writing.