

# SML ISUZU LIMITED

## WHISTLE BLOWER POLICY

### 1. PREFACE

- a) The Company has always believed in the conduct of affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- b) This policy is in addition to the Codes and Corporate Governance Policies of the Company and is to be read along with the existing Codes and Corporate Governance Policies, which will continue to remain effective.
- c) The Companies Act, 2013 requires every listed company to establish a vigil mechanism for Directors & Employees to report genuine concerns in such manner as may be prescribed. Further, the Rules provide that the companies which are required to constitute an Audit Committee shall oversee the vigil mechanism through the committee.
- d) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires every listed company to formulate a vigil mechanism for all the stakeholders of the Company including Directors & Employees to freely communicate / report their genuine concerns about illegal or unethical practices.
- e) SEBI (Prohibition of Insider Trading Regulations), 2015, including any amendment thereto, requires every listed company to formulate a whistle-blower policy to enable employees to report instances of leak of unpublished price sensitive information.
- f) This Whistle Blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for all the stakeholders of the Company to approach the Designated Authority under this policy for the above mentioned purposes.

### 2. DEFINITIONS

- a) “**Designated Authority**” refers to the Chairman of the Audit Committee.
- b) “**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 deemed fit, considering the gravity of the matter.
- c) “**Employee**” means every employee of the Company (whether working in India or abroad)
- d) “**Frivolous / Malicious Protected Disclosure / Complaint**” means any disclosure / complaint which is registered or attempted to be registered under this policy with mala fide intentions and arising out of false or bogus allegations.

e) **“Generally available information”** means information that is accessible to the public on a non-discriminatory basis.

f) **“Investigating Committee”** refers to the team of those persons authorized, appointed, consulted or approached by the Designated Authority.

g) **“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 / conduct.

h) **“Unpublished Price Sensitive Information (UPSI)”** shall mean 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 include but not restricted to, information relating to the following :

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions;
- v. changes in Key Managerial Personnel.

i) **“Whistle Blower”** is someone who makes a Protected Disclosure under this Policy.

### **3. ELIGIBILITY**

a) All Directors, Employees, Suppliers, Dealers and other stakeholders of the Company are eligible to make Protected Disclosures under the Policy.

b) The Protected Disclosures may be in relation to matters mentioned in “Coverage of the Policy”.

### **4. COVERAGE OF THE POLICY**

a) The Policy covers malpractices and events which have taken place/ suspected to take place involving, but not limited to :

- i. Breach of contract.
- ii. Manipulation of company data/records.
- iii. Financial irregularities, including fraud, or suspected fraud.
- iv. Criminal offence.
- v. Unauthorized disclosure of confidential/proprietary information.
- vi. Violation of applicable laws and regulations.
- vii. Wastage/misappropriation of company funds/assets.
- viii. Insider Trading Violations including leak of any UPSI.

- ix. Discrimination or harassment.
- x. Actual or potential conflict of interest.
- xi. Any other unethical, biased, favored, imprudent event / conduct / approach.

b) Policy should not be used as a route for raising malicious or unfounded allegations.

## **5. DISQUALIFICATIONS**

a) 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.

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 with a mala fide intention.

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.

## **6. PROCEDURE**

a) Whistle Blower should make Protected Disclosure to the Designated Authority, as soon as possible after the Whistle Blower becomes aware of the same.

b) Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.

c) The Protected Disclosure must be forwarded under a covering letter or by an email.

d) The contact details of the Designated Authority are as follows :

### **Mr. C. S. Verma**

Audit Committee Chairman

Independent Director

House no. 4086, Sector C, Pocket 4,

Vasant Kunj, New Delhi – 110070

[vermasail59@gmail.com](mailto:vermasail59@gmail.com)

e) Protected Disclosures should be factual and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

f) If initial enquiries by the Designated Authority indicate that the concern has no basis, or it is not a matter of investigation pursued under this Policy, it may be dismissed at this stage and the decision would be documented.

g) Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Designated Authority alone, or by the Investigating Committee, nominated by the Designated Authority for this purpose.

h) Name of the Whistle Blower shall not be disclosed to the Investigating Committee unless it is necessary for carrying out the investigation.

i) The Designated Authority /Investigating Committee shall make a detailed written record of the Protected Disclosure. The record will include:

1. *Facts of the matter;*
2. *Whether the same/similar Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;*
3. *The financial/ otherwise loss which has been incurred / would have been incurred by the Company;*
4. *Findings of the Designated Authority/Investigating Committee;*
5. *The recommendations of the Designated Authority /Investigating Committee on disciplinary/other action/(s).*

## **7. PROCEDURE FOR INQUIRY IN CASE OF LEAK OF UPSI**

For inquiry of leak / suspected leak of UPSI, a separate Policy has been formulated by the Board of Directors of the Company.

## **8. DECISION**

If an investigation leads the Designated Authority to conclude that an improper or unethical act has been committed, he shall recommend to the management of the Company to take such Disciplinary Action as he may deem fit.

## **9. PROTECTION**

a) The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

b) No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. Complete protection will 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.

c) A Whistle Blower may report any violation of the above clause to the Designated Authority, who shall investigate into the same and recommend suitable action to the management.

d) Any other Director or Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower(s)

## **10.CONFIDENTIALITY**

a) The Whistle Blower, the Investigating Committee and everyone involved in the process shall:

- i. maintain complete confidentiality/ secrecy of the matter
- ii. not discuss the matter in any informal/social gatherings/ meetings
- iii. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- iv. not keep the concerned documents unattended anywhere at any time

b) If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

## **11. REPORTING**

A report with number of complaints received under this policy and their outcome/status including action taken shall be placed before the Audit Committee on a regular basis.

## **12. 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.

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