

BAJAJ ELECTRICALS LIMITED
WHISTLEBLOWER POLICY

1. Preface

1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

1.2 The Company is committed to developing a culture where it is safe for any Whistle Blower to raise concerns about any poor or unacceptable practice and any event of misconduct.

Towards this end, the Company has adopted the Bajaj Electricals Limited Code of Business Conduct and Ethics (“the Code”), which lays down the principles and standards that should govern the actions of the Company and their employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. There is a provision under the Code requiring employees to report violations.

1.3 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia, provides a non-mandatory requirement, for all listed companies to establish a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company’s Code of Conduct or Ethics Policy.

1.4 Accordingly, this Whistle Blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees of the Company to approach the Committee / Chairman of the Audit Committee of the Company.

1.5 The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the Whistle Blower wishing to raise a concern about serious irregularities within the Company.

1.6 The Policy neither releases Whistle Blowers from their duty of confidentiality in the course of their work, nor is it to be misused to surface a grievance about a personnel work-related situation.

1.7 This Policy will be posted on the Company’s website www.bajajelectricals.com.

2. Applicability

2.1 This Policy is applicable to all Employees and other persons dealing with the Company.

- 2.2 This Policy has been drawn up so that Whistle Blowers can make Protected Disclosure under the Policy. The Protected Disclosure may be areas of concern in respect of the Company covered by this Policy and summarized in paragraph 5.

3. Definitions

- 3.1 “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company in accordance with the provisions of Section 292A of the Companies Act, 1956 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- 3.2 “Board” / “Board of Directors” means the Board of Directors of the Company.
- 3.3 “Code of Conduct” means Code of Business Conduct and Ethics applicable to the directors and senior management adopted by the Company on 30th May, 2005.
- 3.4 “Company” means Bajaj Electricals Limited.
- 3.5 “Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings, including but not limited to, a warning, recovery of financial losses incurred by the Company, suspension/ dismissal from the services of the Company or any such action as is deemed to be fit considering the gravity of the matter.
- 3.6 “Employee” means every employee of the Company including the Directors in the whole time employment of the Company.
- 3.7 “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 (as described more particularly in Clause 5) with respect to the Company. Protected Disclosures should be factual and not speculative or in the nature of an interpretations/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.
- 3.9 “Subject” means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.10 “Whistle Blower” means an Employee who makes a Protected Disclosure under this Policy.
- 3.11 “Whistle Committee” means a committee consisting of Chairman & Managing Director, Executive Directors, Head - HR & Admin, Chief Financial Officer and Company Secretary & Head - Legal & Compliance to conduct an investigation in the matter of Protected Disclosure received by the Company.

- 3.12 “Whistle Officer” means a person designated under this policy to receive Protected Disclosure(s). The Company Secretary & Head - Legal & Compliance shall be the Whistle Officer for the purpose of this Policy.

4. The Guiding Principles

- 4.1 The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. To ensure that this Policy is adhered to, and to assure that the concerns raised under this Policy will be acted upon seriously, the Company will:

- 4.1.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is/are not victimized for doing so;
- 4.1.2 Treat victimization of Whistle Blower as a serious matter including initiating Disciplinary Action against person(s) causing or allowing victimization of Whistle Blower;
- 4.1.3 Ensure complete confidentiality of identity of Whistle Blower;
- 4.1.4 Not to attempt to conceal evidence of the Protected Disclosure;
- 4.1.5 Take Disciplinary Action for event covered under this Policy (as mentioned in Clause 5) or upon victimizing Whistle Blower or any person processing the Protected Disclosure or if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- 4.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject.

5. Coverage of Policy

- 5.1 The Policy covers malpractices and events which have taken place/ suspected to take place involving:
- i) An abuse of authority;
 - ii) Breach of Code of Conduct or employment contract;
 - iii) Manipulation of company data/records;
 - iv) Financial or compliance irregularities, including fraud, or suspected fraud;
 - v) Criminal offence having repercussions on the company or its reputation;
 - vi) Pilferation of confidential/proprietary information;
 - vii) Deliberate violation of law/regulation;
 - viii) Misappropriation or misuse of Company funds/assets;
 - ix) Breach of employee Code of Conduct or Rules;
 - x) An act of discrimination or sexual harassment;
 - xi) Any other unethical, imprudent deed/behaviour

The above list is only illustrative and should not be considered as exhaustive.

5.2 Policy should not be used as a route for raising malicious or unfounded allegations against colleagues.

6. Protection

6.1 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 Committee would be authorised to take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

6.2 The identity of the Whistle Blower shall be kept confidential and shall be disclosed only on need to know basis.

6.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

6.5 Protection to Whistle Blower under this Policy shall be available provided that Protected Disclosure is:

- i) made in good faith;
- ii) the Whistle Blower has reasonable information or documents in support thereof; and
- iii) not for personal gain or animosity against the Subject.

6.6 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to Disciplinary Action as may decided by the Committee constituted under this Policy.

6.7 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.

6.8 Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be *mala fide*, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Committee/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

7. Protected Disclosure

7.1 All Protected Disclosures should be addressed to Company Secretary & Head - Legal & Compliance of the Company. The contact details are as under:

Company Secretary & Head - Legal & Compliance
Bajaj Electricals Limited
45/47, Veer Nariman Road,
Mumbai 400 001

E-mail: mangeshp@bajajelectricals.com

Protected Disclosure against the Company Secretary & Head - Legal & Compliance should be addressed to the Chairman & Managing Director of the Company at the above address and the Protected Disclosure against the Chairman & Managing Director of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman of the Audit Committee are as under:

Mr. V. B. Haribhakti
C/o. Haribhakti & Co.,
Chartered Accountants
42, Free Press House,
215, Nariman Point,
Mumbai - 400 021

Email: vishnubhai.haribhakti@bdoindia.co.in

- 7.2 Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed written or written in a legible handwriting in English or in Hindi.
- 7.3 The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. Anonymous disclosures may not be entertained.

8. Investigation

- 8.1 On receipt of Protected Disclosure, the Company Secretary & Head - Legal & Compliance shall expeditiously forward a copy of the same to other Committee members. The Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, the Committee may perform all such acts as it may deem fit at its sole discretion, including, the following functions:
- i) to obtain legal or expert view in relation to Protected Disclosure;
 - ii) appoint external agency to assist in investigation;
 - iii) seek assistance of Internal Auditor;
 - iv) request any officer(s) of the Company to provide adequate financial or other resources for carrying out investigation;
 - v) to seek explanation or solicit Subject's submission on Protected Disclosure or give reasonable opportunity to respond to Subject on material findings contained in investigation report;
 - vi) to call for any information /document and explanation from any employee of the Company or other person(s) as they may deem appropriate for the purpose of conducting investigation.

The investigation shall be completed normally within 30 days of the receipt of the Protected Disclosure.

- 8.2 The Committee shall have right to outline a detailed procedure for an investigation and may delegate such powers and authorities, as it may deem fit to any officer of the Company for carrying out any investigation.
- 8.2 The identity of the Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 8.3 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.
- 8.4 The Subject shall have a duty to co-operate with the investigator and responsibility not to interfere or obstruct with the investigation process. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject. The Subject, if found indulging in any such actions then that will make the Subject liable for disciplinary actions. Under no circumstances, Subject should compel investigator to disclose the identity of the Whistle Blower.
- 8.5 A report shall be prepared after completion of investigation by the Officer(s) investigating the matter which shall be submitted to the Committee. Upon receipt of report, the Committee shall submit the same along with recommendations to the Chairman & Managing Director for Disciplinary Action after providing reasonable opportunity of being heard to the Subject. No allegation of wrongdoing against the Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- 8.6 After considering the report and recommendations as aforesaid, the Chairman & Managing Director shall determine and finalise the Disciplinary Action as he may deem fit.
- 8.7 In case the Subject is the Chairman & Managing Director of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure and, if deemed fit, shall forward the Protected Disclosure to other members of the Audit Committee.
- 8.7.1 The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure. In this regard, the Audit Committee, if the circumstances so suggest, may assign the investigation into the matter to the Senior Officer or Corporate Management Committee / committee of managerial personnel.
- 8.7.2 Upon completion of investigation by the Audit Committee or receipt of report from the Senior Officer or Corporate Management Committee or committee of managerial personnel, the Audit Committee shall submit the same along with its recommendations to the Board for Disciplinary Action after providing reasonable opportunity of being heard to the Subject.

8.7.3 After considering the report and recommendations as aforesaid, the Board of Director shall determine and finalise the Disciplinary Action as it may deem fit.

9. Secrecy/Confidentiality

The Whistle Blower, the Subject, the Senior Officer(s) and every one involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter under this Policy;
- b. not discuss the matters under this Policy 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 as directed by Audit Committee;
- d. not keep the papers unattended anywhere at any time;
- e. keep the electronic mails/files under password

If any one is found not complying with the above, he/ she shall be held liable for such Disciplinary Action as is considered fit by the Committee or the Chairman & Managing Director or the Audit Committee, as the case may be.

10. Reporting

The Committee shall submit a report to the Audit Committee on all the Protected Disclosures, together with results of investigations, Disciplinary Actions recommended and implemented.

11. Retention of Documents

All Protected Disclosures, documented along with the results of Investigation relating thereto, shall be retained by the Company Secretary & Head - Legal & Compliance for a minimum period of 5 (five) years or as mentioned in applicable law, if any.

12. Amendment

This Policy may be amended from time to time by the Board on the recommendation of the Audit Committee.
