



## Jaigad PowerTransco Limited



A Joint Venture of JSW Energy Ltd. & Maharashtra State Electricity Transmission Co. Ltd.

Registered Office: JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 Phone: 022-4286 1000 Fax: 022-4286 3000  
CIN: U40102MH2008PLC181433

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

#### 1. Preface

<b>Policy Title</b>	Vigil Mechanism Policy
<b>Version Number</b>	1
<b>Effective Date</b>	29 <sup>th</sup> October 2014
<b>Authorised by</b>	Board of Directors

- a. Section 177 of the Companies Act, 2013, mandates the following classes of companies to constitute a vigil mechanism
  - Every Listed Company;
  - Every other company which accepts deposits from the public;
  - Every company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores
- b. Accordingly, this Vigil Mechanism / Whistle blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for Directors and Employees of the Company to report genuine concerns to the management about unethical behavior, actual or suspected fraud or violation. This mechanism could also provide for adequate safeguards against victimization of Employees or Directors who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee of the Company in exceptional cases. Once, established, the existence of the mechanism is to be appropriately communicated within the organization.
- c. The Company encourages all employees, officers and directors to report any suspected violations promptly and intends to investigate any good faith reports of violations. Open communication of the issues and concerns by all employees, officer and directors without fear of retribution or retaliation is essential for successful implementation of this Policy. The Ethics Counselor/Chairman of Audit Committee of the Board shall notify the Board of Directors of any matters reported under this policy.

#### 2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

- a. “**Audit Committee**” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.
- b. “**Employees**” means every employee of the Company (whether working in India or abroad and whether temporary or permanent), including the Directors in the employment of the Company.
- c. “**Director**” means a Director as defined under the provisions Companies Act, 2013.



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- d. **“Ethics Counselor”** means Chairman / Whole-time Director or Chief Executive Officer / Chief Financial Officer of the Company who will have primary authority and responsibility for the enforcement of this Policy and to investigate or oversee investigations of the Protected Disclosures or any matter in connection therewith, as per directions, if any, by the Audit Committee.
- e. **“Investigators”** means those persons / firms / bodies authorized, appointed, consulted or approached by the Ethics Counselor / Audit Committee and include the auditors of the Company and the Police.
- f. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical behavior, actual or suspected, fraud or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements.
- g. **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- h. **“Whistle Blower”** means an Employee or Director making a Protected Disclosure under this Policy.

### 3. Scope

- a. The Whistle Blowers’ role is that of a reporting party with reliable information. They are not required or expected to act as investigation or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.
- b. Protected Disclosure under para 6 (a) will be dealt with by Chairman of Audit Committee constituted by the Board and under para 6(b) will be dealt with by the Ethics Counselor under instructions/ guidance of the Chairman of the Audit Committee of the Board.
- c. Exclusions:

Issues arising out of Company’s policy with regard to performance bonus, promotions, increment, leave sanctions and transfers will not be dealt with under this Policy.

### 4. Eligibility

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures shall be in relation to matter concerning the Company.



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### 5. Disqualifications

- a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of victimization or 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. Protection under this Policy would not mean protection from any adverse action which occurs independent of Whistle Blower's Protected Disclosure such as action for wrongful conduct, poor job performance or any action taken for legitimate reasons or cause under Company's rules and policies.
- d. 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 Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

### 6. Procedure

- a. All Protected Disclosures concerning financial, accounting, internal controls and auditing issues and those concerning the Ethics Counselor himself, should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- b. All other Protected Disclosures, except those specified at para 6.a above, should be sent / addressed to the Ethics Counselor of the Company.
- c. The contact details of the Chairman of the Audit Committee and of the Ethics Counselor of the Company are as under:

<b>Chairman of the Audit Committee</b>	<b>Ethics Counselor of the Company</b>
Mr. Santosh Amberkar Prakashganga, 6 <sup>th</sup> Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400051	Mr. Navraj Singh JSW Centre, Bandra Kurla Complex, Bandra (East), Mumbai 400051
CGMFI@mahatransco.in Mobile: 9821748561	navraj.singh@jsw.in Direct: 022-42862013

- d. If a protected disclosure is received by any executive of the Company other than Chairman of Audit Committee or Ethics Counselor, the same should be forwarded by the Executive in a Sealed envelope marked "Confidential-WB" to the Company's Ethics Counselor for further appropriate action. Utmost care should be taken to protect the identity of the Whistle Blower during the process.



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- e. Protected Disclosures should preferably be reported in writing (in sealed envelopes / emails marked as 'confidential') so as to ensure a clear understanding of the issues raised. It 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 Whistle Blower.
- f. The Protected Disclosure should be forwarded under a covering letter, which shall bear the identity of the Whistle Blower. Anonymous disclosures will not be entertained.
- g. Protected Disclosure 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.
- h. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistleblowers.

### 7. Investigation

- a. All protected Disclosure reported under this policy will thoroughly be investigated by the Ethics Counselor / Chairman of the Audit Committee of the Company in accordance with the normal procedure or 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. In case where a company is not required to constitute an Audit Committee, then the Board of directors shall nominate a director to play the role of Audit Committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.
- b. The Ethics Counselor / Chairman of the Audit Committee may at its discretion involve Investigators (any person / firm / body) to investigate / assist itself or the Ethics Counselor in investigation.
- c. Protected Disclosures involving or relating to the Ethics Counselor or which, in the opinion of the Audit Committee, may hamper the independence of the Ethics Counselor in conducting the investigation will be investigated by the Audit Committee either by itself or through any other agency.
- d. Investigations will be launched only after the Chairman of the Audit Committee is convinced Prima facie and a preliminary review by the Chairman of the Audit Committee which establishes that:
  - i. the alleged act constitutes unethical behaviour, actual or suspected fraud or violation or any other unethical or improper activity or conduct which are detrimental to the interests of the Company, and
  - ii. the allegation is supported by information specific enough to be investigated. Matter that do not meet this standard may be worthy of management review, but investigation



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- should not be undertaken as an investigation of unethical or improper activity or conduct. Management review should be by a person of a higher rank and who is independent of the person allegedly involved to ensure that the Management is not subjective.
- e. The decision to conduct an investigation taken by the Chairman of the Audit Committee / Ethics Counselor is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
  - f. The identity of a Subject will be kept confidential to the extent possible subject to the legitimate needs of law and the investigation.
  - g. Subjects will normally be informed of the allegations at the outset of a formal investigation and shall be given reasonable opportunity of being heard and for providing their inputs during the investigation.
  - h. Subjects shall have a duty to co-operate with the Ethics Counselor/ Chairman of the Audit Committee or any of the Investigators during investigation to the extent that mere co-operation sought does not require them to admit guilt.
  - i. 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. If the subject is found indulging in any such actions, they will make themselves liable for disciplinary actions. Under no circumstances, subjects should compel investigator to disclose the identity of the Whistle Blower.
  - j. 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 sufficient evidence in support of the allegation.
  - k. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
  - l. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure unless in exceptional case/s, extension is granted by the Chairman of the Audit Committee.
  - m. The Chairman of the Audit Committee / Ethics Counselors / Investigators shall have a right to call for any information / documents from the Whistle Blower, Company, Subject and Employees, Directors or other persons, as they may deem appropriate for the purpose of conducting investigation.



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### 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 Whistle Blowers or any action which affects them negatively. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, denial of benefits to which he is entitled 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.
- b. The Whistle Blower shall have right to approach the Chairman of Audit Committee for relief in case he/ she observes that he/ she is subjected to any unfair treatment / victimization as aforesaid as a result of his Protected Disclosure. In such cases, the Chairman of Audit Committee may, after hearing him, order investigation and provide appropriate relief to the Whistle Blower.
- c. 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 at its expense arrange for the Whistle Blower to receive advice about the procedure, etc.
- d. The identity of the Whistle Blower shall be confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Ethics Counselor / Chairman of Audit Committee / Investigators.
- e. Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- f. While management is determined to give appropriate protection to the genuine Whistle Blower, the employees or Directors at the same time are advised to refrain from using this facility for furthering their own personal interest. If proved, such cases may be referred to the Audit Committee for disciplinary action.

### 9. Investigators

- a. Investigators are required to conduct a process towards fact-finding and analysis related to alleged improper or unethical activities. 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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### 10. Decision

If an investigation leads the Ethics Counselor / Chairman of the Audit Committee to conclude unethical behavior, actual or suspected fraud or any other unethical or improper activity or act has been committed, the Ethics Counselor / Chairman of Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as they deem 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

The Ethics Counselor shall submit a report to the Audit Committee expeditiously about all Protected Disclosures referred to him/her together with the results of investigations, actions recommended, if any and implementation of the same. The Chairman of Audit Committee shall report any issues raised before him, under this Policy, to the Board of Directors after the investigation is completed and the report is submitted to the Audit Committee along with the recommendations.

The Ethics Counselor should also report to the Audit Committee the concern raised, if any, for victimization for employment related matter by the Whistle Blower and action taken thereon.

Above Reports shall be reviewed and recorded by the Audit Committee.

### 12. Retention of documents

All Protected Disclosures documented along with the proceedings and results of investigation relating thereto shall be retained by the Company for a minimum period of five 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. Unless otherwise specified, such amendments shall be effective from the date of the meeting of the Board of Directors of the Company at which such amendments are approved.

### 14. Dissemination

This Policy shall be appropriately communicated within the Company including by way of putting the Policy on the website of the Company, making it as a part of employee or Director handbooks, etc. A copy of this Policy shall be provided to every Employee or Directors on requisition.