

## **OSWAL MINERALS LIMITED**

### **WHISTLE BLOWER POLICY/VIGIL MECHANISM**

#### **1. PREFACE :**

- a. Prior to the commencement of Companies Act, 2013, the concept of whistle blower policy or in other words vigil mechanism was provided as a non mandatory requirements under Clause 49 of the listing agreement leaving it as a choice with company to comply with it as a practice of good governance. Many companies have created and adopted whistle blower policies.

Of late, in Companies Act, 2013 section 177(9) read with Rule 7(1) of Chapter XII – Companies (Meeting of Board & its Powers) Rules, 2014 made the establishment and formation of vigil mechanism for directors & employees to report genuine concerns in a prescribed manner.

- b. Section 177 (9) 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.

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

- c. Accordingly, this Whistleblower Policy/Vigil Mechanism ("the Policy") has been formulated with a view to provide a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

#### **2. OBJECTIVE :**

The prime objective of this policy is to provide employees & directors an avenue to raise concerns to maintain the highest possible standards of ethical, moral and legal business conduct and its commitment to open, fearless, genuine concern's communication. The pre-eminent intention of this policy is to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith.

### **3. SCOPE OF THE POLICY :**

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

### **4. THE POLICY :**

Every employee of the Company is expected to report immediately to the management any genuine concern which may endanger the interest of the company actual or possible violation of the Code of ethics for Employees or any other unlawful or unethical or improper practice or act or activity concerning the Company he/she is employed in the Company.

The unlawful or unethical or improper practice or act or activity (alleged wrongful conduct) may include, but is not confined / restricted to, any of the following:

1. Breach of law.
2. Abuse of power vested to the authority
3. Misuse / wrongful application / misappropriation of company's funds, assets other resources.
4. Substantial and specific danger to the existence of the company.
5. Incorrect financial reporting.
6. In stark contrast of the company's policy.
7. Harmful to the corporate image.
8. Serious improper conduct.
9. Criminal activities
10. Breaches of copyright, patents and licenses
11. Pilferation of confidential/propriety information

### **5. DEFINITIONS :**

The definitions of some of the key terms used in this Policy are given below.

1. OML means Oswal Minerals Limited
2. "Audit Committee" means the Audit Committee of the Board constituted by the Board of Directors of OML in accordance with provisions of Section 177 of Companies Act, 2013 read with Rule 6 of Companies (Meetings of Board and

its Powers) Rules, 2014 and Clause 49 of Listing Agreement entered into by the Company with Stock Exchanges.

3. "Employee" means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.
4. "Competent Authority" means the Managing Director of OML and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case of conflict of interest (MD being the subject person), Competent Authority means Chairman - Audit Committee.
5. "Investigators" means those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee and include the auditors of the Company and the police.
6. "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
7. "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.
8. "Whistleblower" means an Employee or director making a Protected Disclosure under this Policy.
9. "Alleged wrongful conduct" shall mean violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority".
10. "Board" means the Board of Directors of the Company.
11. "Unappropriate Activity" means unethical behavior, actual or suspected fraud, embezzlement etc., violation of the Company's general guidelines on conduct, moral turpitude, unlawful conduct etc. by an employee of OML.

**6. Disqualifications :**

- a. While it will be ensured that genuine Whistleblowers 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 Whistleblower knowing it to be false or bogus or with a *mala fide* intention.

- c. Whistleblowers, 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 Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action

## **7. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES :**

- 7.1. Protected Disclosures should be reported in writing by the complainant as soon as possible after the whistle blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.
- 7.2. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as "Protected disclosure under the whistle blower policy". If the complaint is not super scribed and closed as mentioned above it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the nodal officer will not issue any acknowledgement to the complainant and the complainants are advised neither to write the name / address of the complainant on the envelope nor to enter into any further correspondence with the nodal officer / audit committee. The audit committee assures that in case any further clarification is required he will get in touch with the complainant.
- 7.3. Anonymous / Pseudonymous disclosure shall not be entertained by the MD/Chairman of Audit Committee.
- 7.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The MD / Chairman of Audit Committee shall detach the covering letter bearing the identity of the whistle blower and process only the Protected Disclosure.
- 7.5. All Protected Disclosures should be addressed to the Managing Director of the Company and the Protected Disclosure against the Managing Director should be addressed to the Chairman of the Audit Committee of the Company. The contact details of the Managing Director and Chairman of Audit Committee are as under:-

**Address of Managing Director – Mr. Sripal Kumar Mohanlal**  
**No.6, 2<sup>nd</sup> Main Road, Ramachandrapuram,**  
**Bangalore – 560021**

**Address of Chairman of Audit – Mr. Dinesh Kumar**  
**Committee**  
**61/1, New No. 14, Shanti Nivas, 5<sup>th</sup> Cross,**  
**7<sup>th</sup> Main, Srirampuram, Bangalore – 560021**

- 7.6. On receipt of the protected disclosure the MD / Chairman of the Audit Committee shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not before referring the matter to the Audit Committee of OML for further appropriate investigation and needful action. The record will include:
- a. Brief facts;
  - b. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  - c. Whether the same Protected Disclosure was raised previously on the same subject;
  - d. Details of actions taken by nodal officer/ MD for processing the complaint.
  - e. Findings of the Audit Committee;
  - f. The recommendations of the Audit Committee / other action(s).
- 7.7. The Audit Committee if deems fit may call for further information or particulars from the complainant.

## **8. INVESTIGATION**

- 8.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee (AC) may investigate and may at its discretion consider involving any other Officer of the Company for the purpose of investigation. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should refuse himself/herself and the other members of the Audit Committee should deal with the matter on hand.
- 8.2. The decision to conduct an investigation taken AC is by itself not an accusation and is to be treated as a neutral fact finding process.
- 8.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 8.4. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 8.5. Subject(s) shall have a duty to co-operate with the AC or any of the Officers appointed by it in this regard to the extent that such cooperation will not compromise self incrimination protections available under the applicable laws.
- 8.6. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness

shall not be influenced, coached, threatened or intimidated by the subject(s).

- 8.7. Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 8.8. Subject(s) have a right to be informed of the outcome of the investigations.
- 8.9. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the AC deems fit and as applicable.

## **9. DECISION AND REPORTING**

- 9.1. Audit Committee along with its recommendations will report its findings to the Managing Director within 15 days of receipt of report for further action as deemed fit. In case prima facie case exists against the subject, then the Managing Director shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of above decision shall be addressed to the Audit Committee, complainant and the subject.
- 9.2. The audit committee after providing an opportunity to the subject to explain his position and after completion of investigation shall submit a report along with its recommendation to the Managing Director. After considering the report and recommendation as aforesaid, Managing Director shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of the above decision shall be addressed to the Audit Committee, the complainant and the subject.
- 9.3. In case the Subject is the Managing Director of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 9.4. If the report of investigation is not to the satisfaction of the complainant, the complainant has been right to report the event to the appropriate legal or investigating agency.

- 9.5. A complainant who makes false allegations of unethical & improper practices or about wrongful conduct of the subject to the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **10. SECRECY / CONFIDENTIALITY.**

The complainant, Members of Audit committee, the Subject and everybody involved in the process shall:

- a. Maintain confidentiality of all matters under this Policy
- b. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- c. Not keep the papers unattended anywhere at any time
- d. Keep the electronic mails / files under password.

## **11. PROTECTION**

- 11.1. 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 company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. 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 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.
- 11.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 11.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the audit committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires

investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

11.4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

11.5. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the audit committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

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

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

## **13. COMMUNICATION**

A whistleblower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the web site of the company.

## **14. RETENTION OF DOCUMENTS**

All Protected disclosures documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

## **15. ADMINISTRATION AND REVIEW OF THE POLICY**

The Managing Director shall be responsible for the administration, interpretation, application and review of this policy. The Managing Director also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

## **16. ANNUAL AFFIRMATION**

The Company shall annually affirm that it has provided protection to the complainant from unfair adverse personal action. The affirmation shall also form part of Corporate Governance report which is attached to the Annual report of the Company.



## **17. 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.