

The Whistle Blower Policy



HGI INDUSTRIES LIMITED

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Circular No.	
Program Title	The Whistle Blower Policy
Policy type	Compliance
Category	Country specific policy – Applicable to Indian entities
Coverage	All Employees and Directors
Responsible portfolio & contact information	Organization Effectiveness portfolio at Group Human Resources & abg.values@adityabirla.com
Effective date of implementation	25 th May, 2015

The Aditya Birla Group Values of Integrity, Commitment, Passion, Seamlessness, and Speed are the foundation for all our actions and for the decisions we take. They set standards for the organization and for employee conduct.

To ensure that there is a common minimum standard of professional behavior, the Group has articulated Policy 769 - The Aditya Birla Group Code of Conduct / Redressal Process. This policy lists down broadly the identifiable and non-negotiable set of actions/behavior applicable to all employees across the Group. It provides direction and explains how to report violations/ potential violations of the Group Values and/or the Aditya Birla Group’s Code of Conduct and the process of redressal.

Purpose of this policy

The purpose of this policy is to articulate the Group’s point of view on **whistle blowing**, the process, and the procedure to strengthen the whistle blowing mechanism at Aditya Birla Group.

This policy:

- Provides a platform and mechanism for the Employees and Directors to voice genuine concerns or grievances about unprofessional conduct without fear of reprisal
- It provides an environment that promotes responsible and protected whistle blowing. It reminds Employees and Directors about their duty to report any suspected violation of any law that applies to the Group and any suspected violation of the Group Values or the Aditya Birla Group’s Code of Conduct.
- Above all, it is a dynamic source of information about what may be going wrong at various levels within the Group, which will help the Group in realigning various processes and to take corrective actions as part of good governance practice.

Coverage of this policy

- This policy is applicable to all the Group Companies in India, including all Employees and Directors
- All the listed companies and companies in India that accept deposits from the public; and companies which have taken money from banks and public financial institutions of the amount more than INR 50 Crores are required by law to have a vigil mechanism, will adopt this policy. This policy needs to be adopted by the Company’s Audit Committee.

Who is a whistle blower?

Any Employee or Director who discloses or demonstrates an evidence of an unethical activity or any conduct that may constitute breach of the Group's/Group Company's Code of Conduct or the Group Values. This whistleblower has come to the decision to make a disclosure or express a genuine concern/grievance/allegation, after a lot of thought.

Protection

The process is designed to offer protection to the whistleblower (employees and directors) provided that the disclosure made / concern raised / allegations made ("complaint") by a whistleblower is in good faith and the alleged action or non-action, constitutes a genuine and serious breach of what is laid down in the Group Values and/ or the Aditya Birla Group's Code of Conduct, policy 769.

The Group affirms that it will not allow any whistleblower to be victimized for making any complaint. Any kind of victimization of the whistleblower brought to the notice of the Value Standards Committee ** will be treated as an act warranting disciplinary action and will be treated so.

*** - For further details, please refer to policy 769*

As a Group, we condemn any kind of discrimination, harassment, victimization or any other unfair employment practice adopted against whistleblowers. Complete protection will be given to whistleblowers against any unfair practices like retaliation, threat or intimidation, 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 whistleblower's right to continue to perform his/her duties/functions in a free and fair manner.

Reporting in good faith

Every Whistle Blower is expected to read and understand this policy and abide by it. It is recommended that any individual who wishes to report, do so after gathering adequate facts/data to substantiate the complaint and not complain merely based on hearsay or rumour. This also means that no action should be taken against the whistleblower, if the complaint was made in good faith, but no misconduct was confirmed on subsequent investigation.

However, if a complaint, after an investigation proves to be frivolous, malicious or made with an ulterior intent, the Value Standards Committee shall take appropriate disciplinary or legal action against the concerned whistleblower.

List of exclusions

The following types of complaints will ordinarily not be considered and taken up:

1. Complaints that are Illegible , if handwritten
2. Complaints that are trivial or frivolous in nature
3. Matters which are pending before a court of Law, State, National Human Rights Commission, Tribunal or any other judiciary or sub judiciary body
4. Any matter that is very old from the date on which the act constituting violation, is alleged to have been committed
5. Issue raised, relates to service matters or personal grievance (such as increment, promotion, appraisal etc)

Dealing with anonymity

A whistleblower may choose to keep his/her identity anonymous. In such cases, the complaint should be accompanied with strong evidence and data

Confidentiality

The Value Standards Committee will treat all complaints in a confidential and sensitive manner. In specific cases where the criticality and necessity of disclosing the identity of the whistleblower is important, it may be disclosed, on a 'need-to-know-basis', during the investigation process and only with the prior approval of the whistleblower.

Who is a whistle blower officer?

For the purpose of this policy, the Company Secretary (or in his/her absence, the Legal Head) of the relevant Unit/Business would act as the Secretary of the relevant Values Standard Committee.

Procedure for raising a complaint

A whistleblower can make a complaint in multiple ways:

1. Can write to the relevant Value Standards Committee. The information about name of members and list of Value Standards Committee (VSC) at various levels, their e-mail id are available on the Values micro site that can be accessed from Poornata (<https://www.poornataghr.com>), or the Group's IntranetOnstream, (<http://www.abgonstream.com>).
2. A whistle blower can send a complaint to the ethics hotline by calling on a toll free number **1800 103 9868**, or write to abg.whistleblower@ethicshelpline.in, or send a fax on **1800 103 9868** or mail it to **P.O.BoxNo71,DLFPhase1,QutubEnclave, Gurgaon-122002,Haryana..** This is operated by an independent third party vendor.
3. By writing to the CHRO or Unit Head or Business HeadOrCompany Secretary of the relevant Group Company, as these officials are duty bound to share the complaint with the Ethics Hotline.
4. In exceptional cases, the complainant can directly report his/her complaint to theChairperson of the Company's Audit Committee. Details of the Chairperson are available on the Company's website.

Procedure for handling a complaint is as given below:

1. A whistle blower identifies non-adherence of the Group Values or the Aditya Birla Group's Code of Conduct by any employee or a segment of the organization, will compile information that supports the case.
2. The whistle blower sends the complaint to the independent reporting mechanism -Ethics Hotline or to the respective Values Standards Committee (VSC), depending on:
 - The level at which the violation is perceived to be happening, or
 - The seniority of the individual/s involved.

If the breach or misdemeanor is at:

- The Unit Head level (Strategic Business Unit Head, Regional Head, Circle Head, Unit Head etc) and above, the employee will write to the Group level Value Standards Committee (GVSC)

- Unit Function Head level, the same will be reported to the respective Business level Value Standards Committee (BVSC)
 - Any other level, the same will be reported to the respective Unit level Value Standards Committee (UVSC)
3. A whistle blower can also send the complaint to the Business Head, Unit Head, CHRO or Company Secretary.
 4. All the complaints are routed to the Ethics Hotline. The Ethics hotline will capture all relevant information and send it to relevant Values Standard Committee within 2-3 working days.
 5. Upon receipt of information, the secretary of the relevant Values Standard Committee will first do a preliminary investigation to check whether the complaint seems to be genuine and falls under the purview of the whistle blower policy. If the complaint is sent with malicious intent, then the committee will take appropriate disciplinary action against the whistle blower.
 6. If the complaint does not fall under the purview of whistle blower policy, then the same would be redirected to the right forum. For eg – If complaint is related to sexual harassment, same will be forwarded to the Complaints Committee and would be dealt as defined under circular no. 728. – Policy to Prevent Sexual Harassment at the Workplace. If a complaint is related to a personal grievance, e.g. appraisal rating, promotion etc, it will be forwarded to the relevant CHRO. (Refer to Annexure 2 for process flow)
 7. Once established that the case needs investigation, the secretary of the Value Standards Committee, in consultation with the committee, shall appoint a team to investigate the case, with utmost confidentiality. The investigative team can be a pool of internal people or can be an external agency specialized in investigating such cases.
 8. Under no circumstances, will the secretary, investigation team and the committee reveal / disclose the identity of the “accused” to anyone else (including the immediate manager) – other than all those who are required to know about the case.
 9. The investigation team should work towards ensuring that the investigation is completed by following the laws of the land and principles of natural justice within 3 weeks of the complaint being reported. If the investigation cannot be completed within 3 weeks, then the committee needs to have very valid and strong reasons for the same.
 10. Once the investigation is completed, the secretary will submit the report of investigation to the committee and the committee will then come with a recommendation to be shared with the Management. The quantum of punishment should be recommended after considering the following -
 - Severity of the misconduct
 - Impact on the Organization (Reputation, Financial / Non – Financial)
 - Past record of the employee
 - Past precedence of treating similar violations (a summary of the same will be kept with the Organization Effectiveness portfolio at Group Human Resources)

11. The punishment shall constitute from a minimum of written warning to withdrawal of last increment, demotion, withholding promotion, dismissal from service and/ or even prosecution in a court of law.
12. Once the report is received, the committee will put its recommendation before the respective Business Head. The team will consider the recommendation and decide on appropriate action within 15 days of receiving the recommendation.

Reporting process

An Annual and Quarterly report will be prepared by the Business Value Standards Committee of which copies will be placed before the Audit Committee of the relevant Group Company and also shared with the Organization Effectiveness portfolio at Group Human Resources.

Guidelines for communication and implementation of this policy

An ethics hotline is made available. This toll free number will be available for reporting of any violation or misconduct. A communication mechanism should be put in place to create awareness about this policy with the existing employees and for new joiners in all Group Companies operating in India.

It is the responsibility of the CHRO of the relevant Group Company to ensure that the updated names and email id of the various Business and Unit level Value Standards Committee is made available to all employees through the local intranet and/or any other communication mechanism they may adopt. A copy of this policy shall also be placed on the corporate website of the relevant Group Company.

The same policy and process can be made applicable for reporting from external stakeholders, such as, Customers, Suppliers etc.

A detailed Operationalizing Guideline will be made available to each Values Standard Committee to ensure that this policy is implemented in letter and spirit. For any query or clarification on this policy, you may write to the Organization Effectiveness portfolio at abg.values@adityabirla.com. The details of the Values Standard Committee are available on the Values Microsite on Poornata.

Important Templates

Annexure 1 – Template for reporting violations

Annexure 2 – Sample workflow /procedure for reporting, resolving and closing a case

Annexure 1 - Template for Reporting Violation
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To: Value Standards Committee<at Group/ Business or Unit level>: _____

Please select the applicable incident type(s) from the list below that best describes the issue(s) you are reporting. Please note that multiple issues can be selected

- 1. Misappropriation of company assets or resources
- 2. Conflict of interest
- 3. Inappropriate sharing of confidential information
- 4. Financial fraud of any nature
- 5. Violation of gifts and entertainment policy
- 6. Non-adherence to safety guidelines
- 7. Inaccurate financial reporting
- 8. Bribery & Corruption
- 9. Insider trading
- 10. Other forms of Harassment – Victimization, Bullying, Discrimination etc.
- 11. Social Media Usage
- 12. Misuse of authority
- 13. Environment, health and safety
- 14. Concurrent employment
- 15. Others _____

Please provide name, designation and department of the person(s) involved?

	Name	Department	Designation
Individual 1			
Individual 2			
Individual 3			
Individual 4			

When did the incident occur? (Please provide tentative date if you do not know the exact date)

Please confirm the location of the incident

How did you find out about this incident?

How long has this been occurring for?

- Less than a month
- 1-6 months
- 6-12 months
- Greater than 12 months

Please provide a detailed description of the incident. To enable your company to act on your complaint, you are requested to provide specific information. Where possible, please include names, location, date, time etc. Please note that this field is limited to 5,000 characters.

Do you have any evidence in support of your allegations?

- Yes
- No

Is anyone else aware of this incident?

- Yes
- No

Is there any additional information that would facilitate the investigation of this matter?

- Yes
- No

Have you reported this incident to anyone in the company?

- Yes
- No

Date:

Location:

Name of the Person reporting (optional):

Contact Information (incl email optional):

The complaint should be either reported on the Values Microsite on Poornata, to the relevant Values Standard Committee at Unit, Business or Group level or can be shared at the ethics hotline - either verbally, over a phone, or through email. The details of the Values Standard Committee is available on the Values microsite on Poornata and on Onstream.

Annexure 2 - Sample workflow for reporting, resolving and closing a case

