



MUNITIONS INDIA LIMITED (MIL)

WHISTLE BLOWER POLICY

1. PREFACE

The Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises vide its Office Memorandum No. 18(8)/2005-GM dated 22nd June 2007 has issued guidelines on Corporate Governance for Central Public Enterprises (CPSEs).

To comply with above company may promulgate 'Whistle Blower Policy' to establish a mechanism for its employees to report to the Management on unethical behaviour, actual or suspected fraud or violation of the Company's General Guidelines on conduct or ethics policy. Which is in accordance with

1.1 Company Act 2013

Section 177 (9) Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.

Section 177 (10) The vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases:

1.2 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Regulation 22, provides as a mandatory requirement to establish a Whistle Blower Policy for Directors and employees to report genuine concerns.

Then Whistle Blower mechanism could provide

- (a) A channel to communicate with audit committee for expressing their concerns over the unethical, unjust and unfair practices if any noticed in the company.
- (b) Adequate safeguard against victimization of employees who avail the mechanism. However under this policy there is no protection granted to disciplinary action against the Whistle Blower, which occurs on account of poor job performance or misconduct by the



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Whistle Blower and which is independent of any disclosure made by the Whistle Blower.

2. DEFINITIONS

- 2.1 **“MIL”** means Munitions India Limited
- 2.2 **“Audit committee”** means a committee constituted by board of directors of MIL in accordance with section 177 of companies act 2013
- 2.3 **“Employee”** means every employee of the company working in MIL and its units.
- 2.4 **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may be treated as evidence of unethical, unjust and unfair practices in the company
- 2.5 **“Competent Authority”** means the chief executive of the organization which in the case of MIL is CMD (Chairman & Managing Director)
- 2.6 **“Code”** means the MIL Code of Business Conduct & Ethics.
- 2.7 **“Investigators”** mean those persons authorized, appointed, consulted or approached by the Chairman & Managing Director / Competent Authority in connection with conducting investigation into a protected disclosure and include the Auditors of MIL.
- 2.8 **“Screening Committee”** means a Committee constituted under Whistle Blower Policy of MIL, comprising the Chairman & Managing Director or in his absence, a Functional Director as nominated by CMD AND Chairman, Audit Committee or in his absence, a member of the Audit Committee as nominated by the Chairman of Audit Committee.
- 2.9 **“Subject”** means an employee – Executive / Non-Executive against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- 2.10 **“Whistle Blower”** means an Employee making a Protected Disclosure under this Policy.
- 2.11 **“Fraud”** is a willful act intentionally committed by an individual(s) -by deception, suppression, cheating or any other fraudulent or any other illegal means, thereby, causing wrongful gain(s) to self or any other individual(s) and wrongful loss to other(s). Many a times such acts are undertaken with a view to deceive/mislead others leading them to do or prohibiting them from doing a bonafide act or take bonafide decision which is not based on material facts."



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3. SCOPE

- 3.1 The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- 3.2 Whistle Blower should not act on their own in conducting any investigative activities nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the Audit Committee / Director (HR) / Head of Systems Audit or other identified Investigators.
- 3.3 Protected Disclosure will be appropriately dealt with by the Chairman of the Audit Committee / Director (HR) / Head of Systems Audit as the case may be.

4. ELIGIBILITY

All employees of MIL are eligible to make "Protected Disclosures"

5. DISQUALIFICATION

- 5.1 Genuine Whistle Blower/person reporting fraud will be accorded protection from any kind of unfair treatment/victimization. However, any abuse of this protection shall warrant disciplinary action if s/he is an employee.
- 5.2 Whistle Blower who makes any protected disclosures which have been subsequently found to be motivated or malafide or malicious or frivolous baseless or reported otherwise than in good faith, will be liable for disciplinary action as per the applicable Rules.
- 5.3 Whistle Blower or any other person who makes three protected disclosure reporting fraud which have been subsequently found to be malafide, frivolous, baseless, malicious reported otherwise than in good faith, will be disqualified from reporting any disclosure or fraud under this scheme, with the approval of the Audit Committee.
- 5.4 In case any Whistle Blower person reporting of fraud resiles from disclosure/complaint the management shall still reserve the right to proceed with the matter under this policy.



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6. PROCEDURE

- 6.1 The Protected Disclosure / Complaint should be attached to a letter bearing the identity of the Whistle Blower / complainant i.e. his / her Name, Personal ID/Ticket No., section and MIL Unit, It should be inside an envelope, which should be closed / secured / sealed. The envelope thus secured / sealed should be addressed to the Competent Authority and should be superscripted "Protected Disclosure". If the envelope is not superscripted nor closed / sealed / secured, it will not be possible to provide protection to the Whistle Blower as specified under this policy.
- 6.2 If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, he may send his protected disclosure directly to the Chairman of Audit Committee, at the address mentioned at Para 6.7.
- 6.3 Anonymous or pseudonymous Protected Disclosure shall not be entertained.
- 6.4 Protected Disclosure should either be typed or written in legible hand writing in English, Hindi, or Regional language of the place of employment of the Whistle Blower and should provide a clear understanding of the Improper Activity involved or issue /concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- 6.5 Investigation into any Improper Activity, which is the subject matter of an inquiry order under the Public Servants' Inquiries Act, 1850 or under the Commissions of Inquiry Act, 1952 will not come under the purview of this policy.
- 6.6 The contact details of the Competent Authority for addressing and sending the Protected Disclosure are as under:

The Chairman & Managing Director,
Competent Authority,
Whistle Blower Mechanism
Munitions India Ltd (MIL)
Nyati Unitree, 2nd Floor
Nagar road, Yerwada, Pune-411006



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6.7 The contact details for addressing a protected disclosure to the Chairman, Audit Committee are as follows:

Chairman, Audit Committee
C/o Company Secretary,
Munitions India Ltd (MIL)
Nyati Unitree, 2nd Floor
Nagar road, Yerwada, Pune-411006

6.8 The Competent Authority shall mark the envelope containing the Protected Disclosure to a dedicated Confidential Section, which shall maintain a record thereof and shall submit the same to the Screening Committee.

6.9 The Screening Committee shall weed out frivolous complaint(s). The Protected Disclosure(s), which require(s) further investigation, shall be forwarded to the investigator(s) nominated for this purpose, through the Confidential Section.

6.10 The Screening Committee shall endeavour to meet as early as possible, preferably within 15 days of receipt of a Protected Disclosure.

7. Investigation and Role of Investigator:

Investigation:

7.1 Investigations shall be launched if the Screening Committee is satisfied after preliminary review that:

a) The alleged act constitutes an improper or unethical activity or conduct, and

b) The allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information; it is felt that the concerned matter deserves investigation.

7.2 The decision taken by the Screening Committee to conduct an investigation is by itself not to be construed as an accusation and is to be treated as a neutral fact finding process.

7.3 The identity of the subject(s) and the 'Whistle Blower' will be kept confidential.



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7.4 Subject(s) will normally be informed of the allegations at the commencement of a formal investigation and will be given opportunities for providing their inputs during the investigation.

7.5 Subject(s) is / are duty bound to co-operate with the Investigator(s) during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

7.6 Subject(s) has / 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 Subject(s).

7.7 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in an 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.

7.8 The investigation shall be completed normally within 45 days of the date of receipt of the protected disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.

7.9 Subject(s) has / have a right to be informed of the outcome of the investigation.

Role of Investigator:

7.10 Investigator(s) is / are required to conduct a process towards fact-finding and analysis. Investigator(s) shall derive their authority from the Competent Authority when acting within the course and scope of their investigation. The Investigator(s) shall submit his / their report to the Competent Authority.

7.11 All Investigators shall perform their role in an independent and unbiased manner. Investigator is duty bound to maintain fairness, objectivity, thoroughness, ethical behaviour and observance of professional standards.

8. Action:

After completion of the investigation, due & appropriate action, which could include administrative action, disciplinary action, civil or criminal



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action or closure of the matter if it is proved that fraud is not committed etc. depending upon the outcome of the investigation shall be undertaken.

9. Reporting and Review:

The Competent Authority shall submit a Quarterly Report of the protected disclosures, received and of the investigation conducted, and action thereof taken to the Audit Committee for review.

10. Notification:

All Directors / General Managers / Departmental Heads etc. shall notify & communicate the existence and contents of this policy to the employees of their department. This Whistle Blower Policy shall be prominently displayed on all Notice Boards of the Company, circulated to all the registered union. This policy, including amendments thereof, shall also be made available on MIL Intranet Portal.

11. Annual Affirmation:

MIL shall annually affirm that it has not denied any employee access to the Audit Committee and that it has provided protection to the Whistle Blower from any adverse action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

12. Interpretation:

In case of interpretation of any proviso / rule, CMD is the Competent Authority, whose decision shall be final and binding.

13. Amendments:

CMD reserves the right to amend / alter or add / delete any proviso at any time.



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