

# **MURUGAPPA GROUP**

## **WHISTLE BLOWER POLICY**

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### **1. Introduction**

Murugappa Group is committed to high standards of probity and accountability. An important aspect of accountability and transparency is a mechanism to enable employees of the company to voice concerns in a responsible and effective manner. It is fundamental term of every contract of employment that an employee will faithfully serve his or her employer and not disclose confidential information about the employer's affairs.

Nevertheless, where an employee discovers information which they believe shows serious malpractice, impropriety, abuse or wrongdoing within the organisation then this information should be disclosed internally without fear of reprisal and there should be arrangements to enable this to be done independently of line management (although in relatively minor instances the line manager would be the appropriate person to be told.)

The company has therefore endorsed the provisions set out below so as to ensure that no employee of the company should feel at a disadvantage in raising legitimate concerns.

### **2. Scope of the policy**

This policy is designed to enable all the employees of the company to raise concerns internally and at a high level and to disclose information which the individual believes shows malpractice, impropriety, abuse or wrongdoing.

### **3. Disclosure, Enquiry and Disciplinary Action**

Malpractice, impropriety abuse and wrongdoing can include a whole variety of issues and some are listed below.

- An unlawful act, whether criminal”(e.g. Theft) or breach of civil law (eg. Slander or libel)
- Breach of any policy or Manual or code adopted by the company.
- Health and safety risks to the public as well as other employees (e.g. Faulty electrical equipment)
- Abuse of children and vulnerable adults
- Damage to the environment
- Fraud and corruption
- Any instance of failure to comply with legal or statutory obligation either in ones personal capacity or for and on behalf of the company.
- Any instance of any sort of financial malpractice
- Abuse of power (e.g. bullying/harassment)
- Any other unethical or improper conduct.

### **4. Disclosing a concern**

The company will not expect the employee to prove that his concern is true, but he/she will need to demonstrate that there are reasonable grounds for him/her to raise concern.

It is perfectly acceptable for the employee to discuss his/her concern with a colleague and the employee may find it more comforting to raise the matter if there are two (or more) employees who share the same concern.

#### **5. To whom should a concern be disclosed?**

The concern should be disclosed to anyone of the following:

- Head of Unit.
- Vertical head of business
- HR Head of the vertical
- Finance head of the vertical
- HR head of the location
- Finance head of the location
- Department Heads at the Business Office
- HR Head of the Business Unit
- Finance Head of the Business UNIT'
- Chief legal Officer of the Business Unit

A copy of the disclosure should also be sent to the following persons:

- Department heads at the corporate offices
- Corporate HR Head
- Corporate CFO

#### **6. Investigation of concern disclosed.**

The concern disclosed shall be investigated by an Inquiry Committee formed within each business unit as well as at the corporate office comprising of at least three amongst the following:

- Business Unit Head
- Vertical Head
- Department Head
- Business Unit CFO
- BU HR Head
- Business Unit Chief Legal Officer

#### **7. Final decision of the investigation**

The final decision will be taken by the Disciplinary Committee formed at the corporate office comprising the following:

- Corporate CFO
- Corporate HR Head
- Corporate Internal Audit Head
- Corporate Chief Legal Officer

#### **8. Rules for investigation and decision by the Committee**

The disciplinary committee shall in consultation with the Audit Committee circulate such rules as may be deemed necessary to enable a fair conduct of inquiry and investigation as well as decision.

### **9. Procedure of handling the disclosed Concern**

Once any disclosure of Concern has been made by an employee, the person to whom the disclosure has been made shall refer the concern to the Inquiry Committee within 7 days from the date of receipt of such disclosure.

Within 3 working days of a concern being disclosed to the inquiry committee shall

- Acknowledge that the concern has been received
- Indicate how the matter is proposed to be dealt with
- Give an estimate of how long it will take to provide a final response.

The company may not be able to tell the employee the precise action the company takes where this would infringe a duty of confidence owed by the company to someone else. The company will take steps to minimise any difficulties which the company may experience as a result of raising a concern. Thus, if the company is required to give evidence in criminal or disciplinary proceedings the company will arrange for the employee to receive advice about the procedure.

### **10. Procedure to be pursued by the Inquiry Committee**

The Inquiry committee shall pursue the following steps:

- Obtain full details and clarifications of the complaint.
- Consider the involvement of the Company's Auditors and/or the Police.
- Fully investigate into the allegation with the assistance where appropriate, of other individuals/ bodies.
- Prepare a detailed written report and submit the same to the Disciplinary Committee not later than 60 days from the date of disclosure of concern to the inquiry Committee.

All decisions by the Inquiry Committee shall be by the way of a simple majority. In the case of a tie, the matter should be referred to the disciplinary Committee for a final decision in the matter.

### **11. Procedure to be pursued by the Disciplinary Committee**

The Disciplinary Committee shall pursue the following steps:

- The disciplinary committee will come to a final decision in the matter not later than 30 days from the date of receipt of the written report or after the conduct such further investigation.
- If the complaint is shown to be justified then the disciplinary committee shall invoke the disciplinary or other appropriate action as per the company procedures.
- A copy of the decision in writing shall be placed before a meeting of the Audit Committee held immediately after the date of such a final decision.

All decisions by the Disclinary committee shall be by the way of simple majority in the case of a tie the matter should be referred to the Audit Committee for a final decision in the matter.

### **12. Anonymous Allegations**

This policy encourages employee to put their name to any disclosures they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of the company.

In exercising the this discretion, the factors to be taken into consideration are:

- The seriousness of the concern raised

- The credibility of the concern
- The likelihood of confirming the allegation from attributable sources.

### **13. Untrue Allegations**

If an employee makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that employee. In making a disclosure the employee should exercise due care to ensure the accuracy of the information. If, however, an employee makes malicious allegations, and particularly if he or she persists with making them, disciplinary action may be taken against the employee.

### **14. Appeal against the decision of the Disciplinary Committee**

If the complainant or the person complained against is not satisfied with decision of the Disciplinary Committee, then either of the parties could prefer an appeal against his decision before the Audit Committee and the decision of the Audit Committee in the matter will be final and binding on all the parties.

### **15. Conclusion**

A complaint will not be accepted from the same person or person against which in a whole or in a part is substantially the same as one currently being considered or previously determined under this policy, one currently being considered or previously determined under another policy or procedure of the company or one currently being considered or previously determined by an external agency, or one which is the subject of current or past litigation. This policy does not prohibit a personnel action that would have taken regardless of a disclosure of information.