

ARTIFICIAL LIMBS MANUFACTURING CORPORATION OF INDIA
WHISTLE BLOWER POLICY

1. BACKGROUND

In Compliance with the DPE guidelines on Corporate governance issued in May 2010, which inter-alia, provides for all unlisted CPSEs to establish a mechanism called “Whistle Blower Policy” for employee to report to the management and in exceptional cases to the Chairman of Audit Committee about unethical behaviour, actual or suspected fraud, or violation of the Corporation general guidelines on conduct or ethics policy, ALIMCO has formulated a “ Whistle Blower” policy the term of which have been laid down as under. This Policy should not be used in place of the Corporation grievance procedures.

2. POLICY OBJECTIVES

This policy is an internal document of the Corporation which enables an employee or a group of employees who wish to report on unethical or improper practices to have easy access to the appropriate authorities. The purpose of this policy is to provide a framework to promote responsible, safe and secure whistle blowing, with an aim to curb and stop all activities, which are against organisational interests. This policy shall also protect employees wishing to raise a concern about serious irregularities within the organisation and to provide assurances that any and all suspected activity will be fully investigated.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/or colleagues in general.

3. SCOPE OF THE POLICY

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- 1.) Misuse or Abuse of authority
- 2.) Acting in excess or in absence of Jurisdiction
- 3.) Breach of Code of Conduct or employment contract
- 4.) Manipulation of Corporation data/records.
- 5.) Financial irregularities, including fraud, or suspected fraud
- 6.) Negligence causing substantial and specific danger to public health and safety
- 7.) Criminal offence having repercussions on the organisation or its reputation.
- 8.) Pilferage of confidential/ propriety information
- 9.) Deliberate violation or non compliance of Statutory laws/rules & regulations of the organisation.
- 10.) Misappropriation of Corporation funds/assets
- 11.) Any other unethical, imprudent deed/behaviour

The above is illustrative in nature and not exhaustive. This policy applies to any fraud, or suspected fraud involving employees of ALIMCO (all full time, part time or employees appointed on adhoc/temporary/contract basis) and other matters or activity on account of which the interest of the organisation is jeopardized.

4. DEFINITIONS

“Alleged wrongful conduct” shall mean violation of law, Infringement of Corporation’s Code of Conduct or ethic policies. Mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

“Audit Committee” means a Committee constituted by the Board of Directors of the Corporation in accordance with the DPE guidelines on Corporate Governance

“Board” means Board of Directors of the Corporation

“Code of Conduct” means the Code which would be adopted by ALIMCO and applicable to the Director and senior management

“Corporation” means Artificial Limbs Manufacturing Corporation Of India

“Disciplinary Action” means any action which may be taken by the Disciplinary Authority under the Conduct Discipline and Appeal Rules or under the respective Certified Standing Orders of the Corporation as the case may be on account involvement of the subject in any misconduct involving moral turpitude and such or other misconduct as listed in clause-3 above and further would mean and include the enquiry proceeding and the disciplinary authority in the matter.

“Employee” means all the permanent employees of the Corporation.

Investigation is a process of conducting a probe by the Whistle Committee/Chairman Audit Committee for ascertaining the facts of a case after a detailed and careful examination and the report submitted shall be considered as investigation report.

“Nodal officer” means an officer of the Corporation nominated by the Chairman & Managing Director (CMD) to receive protected disclosures from whistleblowers, maintaining records thereof, placing the same before the Whistle Committee for its disposal and informing the whistle blower the result thereof.

“Protected Disclosure” means a concern raised by an employee or group of employee of the Corporation, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity as mentioned in Para -3 under the title **‘SCOPE OF THE POLICY’** with respect to the corporation, however, the protected Disclosures should be factual and not speculative or in the nature of an interpretation/conclusion and should contain as much specific information as possible to allow for proper assessment of th nature and extent of the concern.

‘Subject’ means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

Whistle Blower is an employee or group of employees who make a protected disclosure under this policy and also referred in this policy as Complainant.

Whistle Committee mean a committee consisting of such number of members as constituted reconstituted by the Chairman & Managing Director from time to time, to conduct an investigation in the matter of Protected Disclosure received by The Corporation.

5. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

5.1 Protected Disclosures should be reported in writing under the signature of the complainant as soon as possible after the whistle blower aware of the same so as to ensure a clear understanding of the issue raised and should either be typed or written in a legible handwriting in English, Hindi or local language.

5.2 The protected Disclosure, in a closed and secured envelope should be super scribed as “Protected disclosure under the whistle blower policy”. If the envelope is not super scribed and closed as mentioned above it will not be possible for the whistle committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identify 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 in to any further correspondence with the nodal officer/whistle committee. The whistle committee assures that in case any further clarification is required he will get in touch with the complainant. Anonymous/Pseudonymous disclosures shall not be entertained by the Nodal officer.

The text of the protected disclosure should be carefully drafted so as not to give any details or clue as to the identity of the complainant. However, the details of the protected disclosure made should be specific and verifiable.

5.3 All protected Disclosure should be addressed to the Nodal Officer of the Corporation. The Contact details of the Nodal Officer is as under:

Name & Address of the Nodal Officer: **Shri VIVEK DWIVEDI**
Dy. General Manager (QC) & CVO
Artificial Limbs Manufacturing Corporation of India
Naramau G.T Road Kanpur 209217
Email: cvo@alimco.in

5.4 Protected Disclosure against the Nodal Officer should be addressed to the Chairman & managing Director (CMD) of the Company and protected Disclosure against the CMD of the Corporation should be addressed to the Chairman of the Audit Committee. The contact detail of the CMD is as under.

Name & address of the CMD: **Shri D R SARIN**
Chairman & Managing Director
Artificial Limbs Manufacturing Corporation of India
Naramau G.T Road Kanpur 209217
Email: cmdalimco@alimco.in

5.5 On receipt of the protected disclosure the Nodal Officer/CMD/ Chairman of the Audit Committee shall make a detailed written 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 whistle committee/Audit Committee of ALIMCO for further appropriate investigation and needful action. The record will include :

- (i) Facts of the matter
- (ii) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof.
- (iii) Whether the same Protected Disclosure was raised previously on the same subject
- (iv) The financial/other loss which has been incurred/would have been incurred by the Corporation
- (v) Finding of the Whistle Committee
- (vi) The recommendation of the Whistle Committee on disciplinary/other action(s).

5.6 The whistle committee if deems fit may call for further information or particulars from the complainant.

5.7 The whistle committee, in the first instance, shall make discrete enquiries to ascertain if there is any basis of proceeding further and if so appropriately and expeditiously investigate the protected disclosure received in this regard after providing adequate opportunity to the subject to explain his position also. the Committee may perform all such acts as it may deem fit in its sole discretion, including the following functions:

- (a) Issue summons to the subject and all concerned for attendance.
- (b) Direct the subject and all concerned to make an oral statement which may be recorded or make a written statement if required
- (c) Examine the subject and all the witnesses relevant to the complaint
- (d) Instruct the subject and all concerned to produce documents related to the case for inspection
- (e) Requisition any public records from any office
- (f) Obtain legal or expert opinion in relation to protected Disclosure
- (g) To seek assistance of internal Auditor if required
- (h) To seek explanation or call for subject's submission on protected disclosure or provide reasonable opportunity to the subject to respond on the same
- (i) To call for any information/document and explanation from any employee of the Corporation or other person(s) as they may deem appropriate for the purpose of investigation.

5.8 The Subject shall have a duty to co-operate with the investigator and responsibility not to interfere or obstruct with the investigation process.

5.9 Upon completion of investigation by the whistle committee and after providing an opportunity to the subject a report shall be prepared by the whistle committee.

5.10 The investigation report of the committee along with its recommendations shall be submitted to the CMD through the nodal officer within 15 days of receipt of report for further action as deemed fit. In case prima facie case exists against the subject, then the CMD 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 Whistle committee, the Nodal Officer, the complainant and the subject.

5.11 In case the subject is a nodal officer of the Corporation, the protected disclosure shall be addressed to the CMD who, after examining the protected disclosure shall forward the matter to the whistle committee. The whistle 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 CMD. after considering the report and recommendation as aforesaid, CMD 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 Whistle Committee, the Nodal Officer, the Complainant and the subject.

5.12 In case the subject is the CMD of the Corporation, 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.

5.13 After providing an opportunity to the subject and on completion of investigation by the Audit Committee, it shall submit a report along with its recommendation to the appropriate disciplinary authority. The disciplinary authority after considering the report and recommendations as aforesaid, shall decide about initiating disciplinary action, if required.

5.14 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

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

6. SECRECY/ CONFIDENTIALITY

The complainant, Nodal officer < member of Whistle Committee, the subject and everybody involved in the process shall

- (a) Maintain confidentiality of all matter 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.

7. PROTECTION

The Corporation, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against a complainant merely for having reported a protected Disclosure under this Policy. Complete protection will, therefore, be given to complainants against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action etc. as well as against any type of harassment, biased behaviour or the like including any direct or indirect use of authority to obstruct the complainant's right to continue to perform his duties/functions including making further Protected Disclosure. The Corporation will also 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 proceeding, the Corporation will arrange for the whistle blower to receive advice about the procedure, etc.

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 whistle committee/audit committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the CDA Rules/certified standing orders of the Corporation.

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 whistle committee is authorised 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.

If any complainant or other assisting in the said investigation or furnishing evidence is aggrieved by any action on the ground that he is being victimized due to the fact that he had filed a protected disclosure, he may file an application before the whistle committee seeking redress in the matter, wherein the said committee may give suitable directions to the concerned person or authority.

However, 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.

8. COMMUNICATION

A whistleblower policy cannot be effective unless it is properly communicated to employee. Employees shall be informed through employee handbook, website etc.

9. RETENTION OF DOCUMENTS

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

10. ADMINISTRATION AND REVIEW OF THE POLICY

The Chairman and managing Director shall be responsible for the administration, interpretation, application and review of this policy; the Chairman & Managing Director also shall be empowered to bring about necessary changes to this policy, if required at any stage.

11. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning as Assigned to them in the Companies Act, 1956 and/or DPE guidelines on the subject from time to time.

12. NOTIFICATION

All the departmental heads at Head Office and RMC/ AAPC Incharge are required to notify & communicate the existence and contents of this policy to the employees of their department. Every Departmental Head/ RMC/ AAPC Incharge shall submit a certificate duly signed by him to the Nodal Officer that this policy was notified to each employee of his department/ office. The new employees shall be informed about the policy by the Administration department and statement in this regard should be periodically submitted to the Nodal Officer.
