



Whistle Blower Policy

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Objective

JAIPUR RUGS believe in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any unethical or unacceptable practice and any instance of misconduct or wrong doing. The purpose of this policy is to provide a mechanism to bring any type of wrong doing. It will protect employees wishing to raise a concern or highlight any serious irregularities within the Company. The policy does not entitle an employee to breach the guidelines of confidential information under the guise of the policy nor is it a platform for taking up a grievance about a personal situation. The Policy has been drawn up so that Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in the guiding principles.

Definitions

“Disciplinary Action” means any action that can be taken on the Completion of / during the investigation proceedings including but not limited to a warning, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter, In accordance with law.

“Employee” means every permanent employee on the rolls of JAIPUR RUGS

“Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

“Subject” means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

“Whistle Blower” means the person who blows the whistle on an irregularity observed in the Company and highlights the same to the Management

“Whistle Officer/ “Committee” means an officer or Committee of persons who is nominated/ appointed by the Ombudsperson to conduct detailed investigation.

“Ombudsperson” will be a Senior Member of Management for the purpose of receiving all complaints under this Policy and ensuring appropriate action.

Ombudsperson

The Ombudsperson nominated for the review of all such complaints under the policy shall be Head Human Resources

The Guiding Principles

To ensure that this policy is adhered to and irregularity will be acted upon seriously, JAIPUR RUGS will:

- Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so
- Treat victimization or any form of retribution as a serious matter including initiating disciplinary action on such person(s) who cause such victimization
- Ensure complete confidentiality during investigation
- Not to reveal evidence of the Protected Disclosure
- Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- Provide an opportunity of being heard by the person(s) involved especially to the Subject.
- Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

Coverage of Policy

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

- Abuse of authority.
- Wastage / misappropriation of company funds / asset
- Manipulation of company data / records.
- Financial irregularities, including fraud, or suspected fraud.
- Breach of contract
- Negligence causing substantial and specific danger to public health and safety.
- Criminal offence
- Proliferation of confidential / propriety information.
- Pilferage of company's properties assets.
- Deliberate violation of law / regulation.
- Breach of employee Code of Conduct or Rule
- Any other unethical, biased, favored, imprudent event.

Protection

- No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a matter under this Policy. The Company condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will be given to Whistle Blower against any unfair practice like retaliation, retribution, threat or intimidation of termination / suspension of service, transfer, demotion, refusal of promotion (other than performance grounds), discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties
- The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. 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
- The identity of the Whistle Blower shall be kept confidential unless and until the law requires him/her to disclose the identity.
- Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

Disqualifications

While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower with a mala fide intention. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted under Company's Code of Conduct.

Secrecy/Confidentiality

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall follow the below guidelines:

- Maintain complete confidentiality/secrecy of the matter.
- The Whistle Blower must not discuss the matter in any informal/social gatherings/meetings.

- Discuss on a need to know basis and only to the extent or with the persons required for the purpose of completing the process and investigations.
- To avoid keeping the papers unattended anywhere at any time.
- To keep the electronic mails/files under password

Procedure to be followed by the Whistle Blower

- Whistle Blower can make a Protected Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.
- Whistle Blower must put his/her name while making any allegations. Concerns expressed anonymously WILL NOT BE investigated.
- Ombudsperson must acknowledge the receipt of the disclosure within 7 days of receipt.
- If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigated under this Policy, it may be dismissed at this stage itself and the decision will be documented.
- Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt or any prejudices. A written report of the findings would be made.
- Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.

The Investigation Procedure

Stage 1: Procedure to be followed by the Committee shall be as follows:

- Make a detailed written record of the Protected Disclosure. The record will include:
 - Facts to be documented and issues to be framed.
 - Call for hearing and supporting documents.
 - To verify and check whether the same matter was brought before the Committee earlier. (Whether any Protected Disclosure was raised previously against the same subject).
 - Findings of Whistle Officer/Committee to be forwarded within 15 days of the nomination or constitution of the Committee for his perusal and further consideration, if necessary.

Stage 2: Procedure followed by the Ombudsperson:

- Based on the report submitted by the Whistle Blow Officer/Committee, the Ombudsperson shall either:
 - Accept the findings of the Whistle Blow Officer / Committee and take such action including initiation of disciplinary action as he may think fit or take preventive measures to avoid reoccurrence of the matter.
 - In case the Protected Disclosure is not proved, dismiss the matter.
 - Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the MD with proposed disciplinary action / counter measures.

Stage 3: Procedure followed by the Whistle Blower once not convinced with the decision:

- In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he/she can make a direct appeal to the MD.

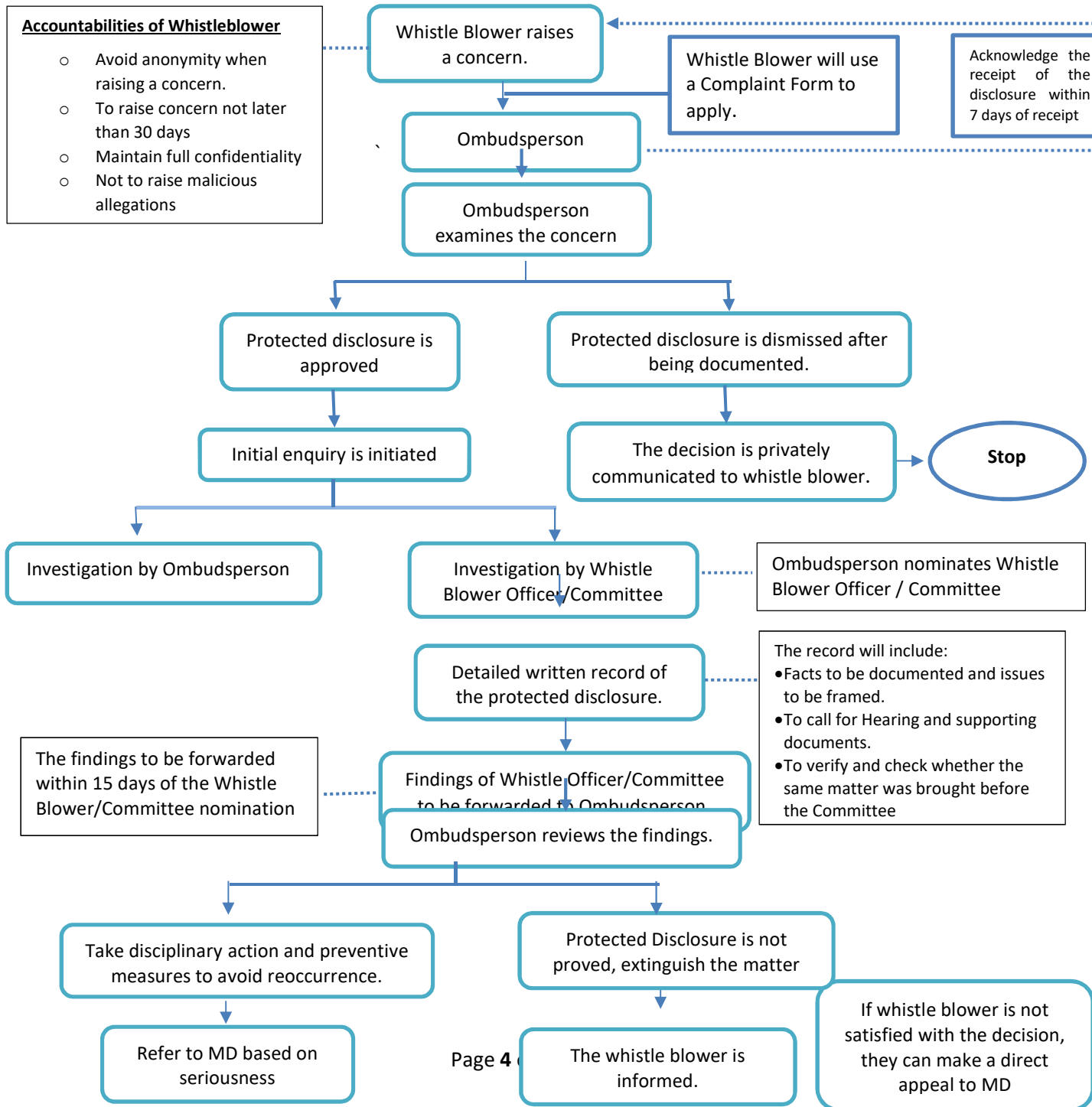
Benefit to the Whistle Blower

Any employee that blows the whistle on any wrong doing, demonstrates his/her integrity and loyalty to the company. While it may not be possible to spell out any tangible benefit to the whistle blower in this policy, the MD can exercise discretion on a specific award and appreciation that would be extended on a case to case basis. This could be a cash award, a gift and even a certificate of appreciation.

Reporting

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Board of Management by the Ombudsperson. (email whistleblow@jaipur rugs.com)

Whistle Blower – Process Flow



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Whistleblower

Complaint

Form

Please fill the following information:

Name: _____ Designation: _____ Department: _____

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

2. How long has this been occurring for?

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

3. Please provide a detailed description of the incident. To enable us to act on your complaint, you are requested to provide specific information. Where possible, please include names, location, date, time etc.

4. Please specify Name and Title of the person against whom complaint/concern is raised.

5. Was the information you disclosed here based upon personal and/or direct knowledge of wrongdoing? (yes or no)

6. What is the nature of the alleged violation?

Abuse of authority Financial mismanagement Criminal Offence

A substantial and specific danger to public health or safety A violation of any organizational law

Violation of Values & Culture of the company

Any other, please specify

7. Has this matter been appealed, grieved or reported under another procedure? Please explain and provide status.

8. Evidence

AFFIRMATION

I affirm that I have read the above charge and that it is true to the best of my knowledge, information and belief.

Signature

Date