

Whistle Blower Policy of Automobile Products of India Limited

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**AUTOMOBILE PRODUCTS OF INDIA LIMITED.
WHISTLEBLOWER POLICY**

(With effect from 24th May, 2015)

Implementation: Whistleblower Investigation Committee (WBIC)

Monitoring: Audit Committee

Custodian: Human Resource (HR) Department

Corporate Office: F1, 1st floor, Shanti Nagar Co-Operative Industrial Estate Ltd., Vakola Santacruz
(East) Mumbai-400055

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Automobile Products of India Limited, F1, 1st floor, Shanti Nagar Co-Operative Industrial Estate Ltd., Vakola Santacruz (East) Mumbai-400055.

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AUTOMOBILE PRODUCTS OF INDIA LIMITED

1. PURPOSE

The purpose of this Policy is to establish a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Ethics and Code of Conduct. This Policy provides for adequate safeguards against victimization of director(s) / employee(s) and provides opportunity to director(s) / employee(s) to access in Good Faith, to the WBIC in case they observe Unethical and Improper Practices or any other wrongful conduct in the Company.

In line with our vision and values, which we cherish in our organization and as a part of good corporate governance, this Policy has been formulated. The Policy is meant to encourage director(s) / employee(s) to report to the WBIC for rectification, addressing and redressing if they find or observe anything wrong and / or instances having an adverse effect on the Company's financials and image. No Adverse Personnel Action shall be taken or recommended against an director(s) / employee(s) in retaliation to his disclosure in Good Faith of any Unethical and Improper Practices or Alleged Wrongful Conduct. This Policy protects such director(s) / employee(s) from unfair termination and unfair prejudicial employment practices.

However, this Policy does not protect any director(s) / employee(s) from an adverse action which occurs independent of his disclosure of unethical and improper practice or Alleged Wrongful Conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this Policy. This Policy shall be disclosed by the Company on its website and in the Board's report.

2. SCOPE OF THE POLICY.

The Whistle Blower Policy is an extension of the Code of Conduct and Business Ethics for Directors, Senior Management Personnel & employees of the company and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of the Company's Code of Conduct and Business Ethics,
2. Compromise with Company's Values
3. Breach of terms and conditions of employment and rules thereof
4. Intentional Financial irregularities, including fraud, or suspected fraud
5. Deliberate violation of laws/regulations
6. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of company data/records
8. Pilferation of confidential/propriety information
9. Gross Wastage/misappropriation of Company funds/assets

3. DEFINITIONS

"Adverse Personnel Action" means an employment-related act or decision or a failure to take appropriate action by Managerial Personnel which may affect the director(s) / employee(s)' employment, including but not limited to compensation, increment, promotion, job location, job profile, immunities,

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leaves and training or other privileges.

"Alleged Wrongful Conduct" shall mean violation of law, infringement of Company's Ethics and Code of Conduct policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

Alleged Wrongful Conduct as illustrated below may include but is not limited to:

- Forgery, falsification or alteration of documents;
- Unauthorized alteration or manipulation of computer files internet data;
- Fraudulent reporting, wilful material misrepresentation;
- Pursuit of a benefit or advantage in violation of the Company's interest;
- Misappropriation/misuse of Company's resources, like funds, supplies, vehicles or other assets;
- Improper use of authority;
- Unauthorized release of proprietary information;
- Theft of cash;
- Theft of goods/services;
- Falsification, destruction of Company records;
- Solicitation accepting, Kickbacks, bribes, expensive gifts, directly or indirectly from business connections including vendors and contractors (for this purpose, gifts / complimentary, etc.);
- Authorizing/receiving compensation for goods not received/ services not performed;
- Authorizing or receiving compensation for hours not worked;
- Fraudulent insurance claims; or
- Providing (unauthorized) confidential information to external agencies.

Matters pertaining to the following may be excluded as there are separate forum available for the same:

- Personal grievances;
- Dissatisfaction with appraisals and rewards;
- Complaints relating to service conditions;
- Sexual harassment
- Suggestions for improving operational efficiencies.

"Audit Committee" means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with provision of the Companies Act 2013,

"Company" means Automobile Products of India Limited.

"Good Faith": A director(s) / employee(s) shall be deemed to be communicating in good faith if there is a reasonable basis for communication of Unethical and Improper Practices or any other Alleged Wrongful Conduct. Good Faith shall be deemed lacking when the director(s) / employee(s) does not have personal knowledge or a factual basis for the communication or where the director(s) / employee(s) knew or reasonably should have known that the communication about the Unethical and Improper Practices or Alleged Wrongful Conduct is malicious, false or frivolous.

"Managerial Personnel" shall include a Director, Key Management Personnel and the members of the WBIC who has authority to make or materially influence significant personnel decisions.

"Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

"Policy" means the Whistleblower Policy (WBP).

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

"Unethical and Improper Practices" shall mean -

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- a) an act which does not conform to approved standards of social and professional behaviour; or
- b) an act which leads to unethical business practices; or
- c) improper or unethical conduct; or
- d) breach of etiquette or morally offensive behaviour, etc.

"**WBIC**" shall mean the whistleblowing investigating committee constituted by the Company. The WBIC shall comprise of the (i) Chief Executive Officer, (ii) Chief Financial Officer as may be constituted by the Audit Committee from time to time.

"**Whistleblower**" shall mean a director(s) / employee(s) of the Company who discloses in Good Faith any Unethical and Improper Practices or Alleged Wrongful Conduct.

4. APPLICABILITY

This Policy applies to all director(s) / employee(s) of the Company. Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013

This Policy is an internal policy on disclosure by director(s) / employee(s) of any Unethical and Improper Practices or wrongful conduct. This also provides a mechanism for reporting to the supervisor / manager or in case it involves Managerial Personnel, access to the WBIC or in exceptional cases access to the Chairman of the Audit Committee.

This Policy prohibits the Company from taking any adverse action against its director(s) / employee(s) for disclosing in Good Faith any Unethical and Improper Practices or Alleged Wrongful Conduct to the Head of Department or to the WBIC. Any director(s) / employee(s) against whom any Adverse Personnel Action has been taken due to his disclosure of information under this Policy may approach the WBIC.

5. YOUR DUTY TO REPORT

It is the responsibility of every employee of the company to report to the Company about any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. It is important that you must report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, or violations of the anti-retaliation aspects of this Policy. Consult the Company's Code of Conduct and Ethics for a more detailed description of potential violations and other areas of particular concern. Retaliation includes adverse actions, harassment, or discrimination in your employment relating to your reporting of a suspected violation.

Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

6. PROCEDURE (How to Report)

Director(s) / employee(s) should raise Unethical and Improper Practices with someone who is in a position to address them appropriately. An employee(s)' supervisor, manager or point of contact is in the best position to address an area of concern. Supervisors, managers or points of contact to whom Unethical and Improper Practices are raised are required to report the same immediately to WBIC.

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Notwithstanding the aforesaid, employee can lodge a complaint in one of the following ways:

- by writing a letter to Shri Shyam Agarwal at unit no. F1, 1st floor, Shanti Nagar Co-Operative Industrial Estate Ltd., Vakola Santacruz (East) Mumbai-400055 or
- by sending an email admin1@apimumbai.com; or
- by sending a complaint letter in a sealed envelope marked "Private and Confidential" to the Chairman of the Audit Committee, F1, 1st floor, Shanti Nagar Co-Operative Industrial Estate Ltd., Vakola Santacruz (East) Mumbai-400055;

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

In the event a director(s) wishes to raise a complaint or disclosure under this Policy, he/she shall consult the Chairman of the Company and/or the Chairman of the Audit Committee. All such complaint or disclosure by director(s) shall be taken forward as per the directions of the Chairman of the Audit Committee.

In the event the complaint or disclosure is in conflict of interest with members of the WBIC or the Chairman of the Company the Whistleblower may send a complaint letter in a sealed envelope marked "Private and Confidential" to the Chairman of the Audit Committee, Automobile Products of India Limited, F1, 1st floor, Shanti Nagar Co-Operative Industrial Estate Ltd., Vakola Santacruz (East) Mumbai-400055. In exceptional or appropriate cases including when the Whistleblower believe that his/her concern is not being properly addressed or investigated, the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

Note: - Generally no action is warranted on anonymous/pseudonymous disclosures by the organization and that selective cognizance of anonymous/pseudonymous complaints, containing verifiable allegations can be taken with specific orders from the head of the Department/Chief Executive.

7. INVESTIGATIONS

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

A perceived wrongdoing or an act for whistleblowing should be reported by a Whistleblower in written form only. Written reports should be sent to Shri Shyam Agarwal by way of a confidential letter or may be personally handed over to him.

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Any director(s) / employee(s) who observe any Unethical and Improper Practices or Alleged Wrongful Conduct shall make a disclosure as soon as possible but preferably not later than sixty (60) consecutive calendar days after becoming aware of the same. Shri Shyam Agarwal shall immediately forward the Whistleblower's complaint/disclosure report to the WBIC. WBIC shall acknowledge receipt of the complaint/disclosure to the Whistleblower within seven (7) days of the receipt of the complaint/disclosure.

WBIC shall appropriately and expeditiously investigate the complaint/disclosure received. In this regard, WBIC may authorize a committee of Managerial Personnel to investigate into the matter and prescribe the scope and time limit there:

- WBIC shall provide a detailed outline for the investigation
- Audit Committee shall have right to outline detailed procedure for an investigation.
- Where the WBIC / Audit Committee had designated a senior executive or a committee of Managerial Personnel for investigation, they shall mandatorily adhere to scope and procedure outlined by WBIC / Audit Committee for investigation.
- The WBIC or officer or committee of Managerial Personnel, as the case may be, shall have right to call for any information/document and examination of any director(s) / employee(s) of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this Policy.

The WBIC shall inquire in respect of the Whistleblower's complaint/disclosure and after inquiry/investigation the WBIC shall report the findings to the Managing Director of the Company, who shall consider the same. The final report shall be placed before the Chairman of the Audit Committee by the WBIC or the Chairman of the Company so that the Chairman of the Audit Committee can keep an oversight of the investigations as per the provision of the Companies Act 2013 and relevant SEBI guidelines in force.

The decision of WBIC or the Chairman of the Company or the Chairman of the Audit Committee shall be final and binding. If and when the WBIC is satisfied that the alleged unethical and improper practice or wrongful conduct existed or is in existence, then the WBIC may -

- a) recommend to the board of directors to reprimand, take disciplinary action, impose penalty / punishment, order recovery when any alleged unethical and improper practice or wrongful conduct of any director(s) / employee(s) is proved.
- b) recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

The Board shall pass necessary orders in consultation with Chief Executive Officer. All final report(s) shall be placed before the Audit Committee on quarterly basis for overview of the same.

8. NON RETALIATION / PROTECTION TO WHISTLE BLOWER

No personnel who, in Good Faith, makes a disclosure or lodges a complaint in accordance with this Policy shall suffer reprisal, discrimination or adverse employment consequences. Any personnel who retaliates against a Whistleblower who has raised a matter in Good Faith, will be subject to strict disciplinary action up to and including immediate termination of employment or termination of his/her relationship with the Company.

If any personnel who makes a disclosure or complaint in Good Faith, believes that he/she is being subjected to discrimination, retaliation or harassment for having made a report under this Policy,

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he/she must immediately report those facts to his/her supervisor, manager or point of contact, or the WBIC. If, for any reason, he/she does not feel comfortable discussing the matter with these persons, he/she should bring the matter to the attention of the Shri Shyam Agarwal, Director of the Company. It is imperative that such personnel brings the matter to the Company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately.

9. FALSE COMPLAINTS

While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action. A director(s) / employee(s) who knowingly make false allegations of Unethical and Improper Practices or Alleged Wrongful Conduct to the WBIC shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention. Further, this Policy may not be used as a defense by a director(s) / employee(s) against whom an Adverse Personnel Action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

10. MODIFICATION

The Company may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, state and central regulations and/or accommodate organizational changes within the Company.

11. CONTACT ADDRESS

For the purpose of registering any complaint or for any questions/query on this WBP please contact the Company at the following address:

Shri Shyam Agarwal

Automobile Products of India Limited

F1, 1st floor, Shanti Nagar Co-Operative Industrial Estate Ltd., Vakola Santacruz (East) Mumbai-400055;

12. SECRECY / CONFIDENTIALITY

The Whistleblower, WBIC, Audit Committee, person against whom concerned are raised and everybody involved in the process shall:

- a) maintain confidentiality of all matters 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 documents/papers unattended anywhere at any time;
- d) keep the electronic mails/files under proper custody; and
- e) not to reveal or disclose to media, press agency and/or any other persons.

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