

1. OBJECTIVE:

- i)** To establish a mechanism for employees to raise concerns or report instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct to the management.

- ii)** To provide a framework to promote responsible and secure whistle blowing and protect employees wishing to raise a concern about irregularities in any conduct/transactions within the Company, which might compromise the standards of the corporate ethics.

2. PREAMBLE:

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed to develop a culture wherein employees or business associates are encouraged to raise concerns about any unacceptable practice and any event of misconduct. The purpose of this policy is to provide a framework to promote whistle blowing and also to provide protection to the whistle blowers.

3. APPLICABILITY:

This policy shall apply to:

- i)** All employees of UIL including those working in the International Offices.
- ii)** All Retainers and Advisors working for UIL.
- iii)** All casuals, temporary and contractual associates working for UIL.
- iv)** Directors of the Company.

4. SCOPE:

This policy governs investigation and reporting of allegations of violation of Code of Conduct or suspected improper activities including but not limited to:

- i)** Any violation of Code of Conduct.
- ii)** Abuse of authority/breach of contract.
- iii)** Violation of company rules/policies/guidelines which may lead to financial loss/erosion of company brand image/customer satisfaction.
- iv)** Negligence causing substantial or specific danger to public health and safety.
- v)** Manipulation or misrepresentation of Company's data/records.
- vi)** Financial irregularities including fraud/suspected fraud.
- vii)** Criminal offence.
- viii)** Leakage or misrepresentation of confidential/proprietary information to public, competitors and the like.

- ix)** Violation of laws/regulation.
- x)** Harassment.
- xi)** Misappropriation of Company's funds/assets.
- xii)** Any other unethical, biased, favoured, imprudent action/event.

This policy specifically excludes the investigation and redressal of allegations of sexual harassment which shall be governed by "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Any complaint/allegations received by anyone shall be passed onto "Internal Complaints Committee" constituted under the "Sexual Harassment Prohibition" policy.

5. DEFINITIONS:

- i)** Whistle Blower: individual who makes a disclosure under this policy against a Subject.
- ii)** Disclosure: concern raised by an individual through a communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- iii)** Subject: the individual against or in relation to whom a Disclosure is made.
- iv)** Ethics Committee (Committee): a team consisting of employees of the Company, which will be responsible for timely execution of investigation and suggesting appropriate disciplinary actions.
The members of the Ethics Committee will be nominated by the Audit Committee depending on the demonstrated ability/behavior of the person with respect to the conformance to the Code of Conduct and the values of UIL. The list of members of the Ethics Committee is as per Annexure 1.
- v)** Ombudsman (Whistle Blower Custodian): The Ombudsman shall be appointed by the Audit Committee and will be one of the members of the Ethics Committee. This person shall be responsible for receiving all Disclosures under this policy, discuss them with the Committee and thereafter, appoint/nominate Investigation Officer(s) in consultation with the Committee.
- vi)** Investigation Officer(s): The officer/group of officers who has/have been appointed/nominated by the Ethics Committee to conduct an investigation on the basis of the allegations mentioned in the Disclosure.

vii) Audit Committee: The Audit Committee of the Board is the Committee constituted under Section 177 of the Companies Act, 2013.

viii) Hotline: The telephone/voicemail on which Disclosure can be reported.

6. PROCESS:

i) The Whistle Blower can report the misconduct of an employee through a Disclosure to the Ombudsman or any member of the Ethics Committee, as early as possible, preferably, within 7 working days of the awareness of the same. The Disclosure can be sent to the Ombudsman on email through the intranet portal or through the Hotline. It is recommended that Whistle Blower reveals his identity for the effective resolution of the complaint, however, it is not mandatory and anonymous complaints shall also be redressed by the Committee. Emails can be sent on speakup@ushainternational.com and Hotline number is to be intimated later. Though there is no prescribed format in which complaint is to be made, but it is recommended that the complaint contains the information mentioned in the format given in Annexure 2.

ii) In the event of complaint against the members of the Committee, CEO, CFO, Company Secretary or Directors of the Company, the Whistle Blower may approach directly the Chairperson of the Audit Committee.

iii) If considered necessary, the Ombudsman can directly have a discussion with the Whistle Blower to establish the facts and nature of complaints.

iv) The Ombudsman will discuss the Disclosure with the members of the Ethics Committee at the earliest of the submission of the Disclosure. The Ombudsman shall not disclose the identity of the Whistle Blower to the Committee.

v) If the initial enquiries conducted by the Committee indicate that the Disclosure has no basis or it is not a matter to be investigated in regard to this policy, it may be dismissed at this stage after necessary documentation. If the members of the Committee have a conflict of interest in a given case, they must recuse themselves and the others on the Committee would deal with the matter on hand.

vi) However, where initial enquiries indicate that further investigation is necessary, the Committee will either carry further investigations or appoint Investigation Officer(s) to investigate the complaint.

vii) The Investigation Officer(s), if appointed, shall submit a detail investigation report within a reasonable time and as early as possible of being nominated to the Committee.

viii) The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.

ix) Name of the Whistle Blower shall not be disclosed to the Investigation Officer(s).

x) As applicable, the Investigation Officer(s) will make a detailed written report of the Disclosure to be submitted to the Committee that shall include:

- a.** Facts of the instance/matter.
- b.** The outcome of any similar Disclosure, if raised earlier.
- c.** Any other Disclosure raised against the Subject earlier.
- d.** Findings & observations.
- e.** Any other matter which the Ombudsman/Committee may feel appropriate.

xi) There could be certain system & process deficiencies that if highlighted as a result of the investigation shall be immediately directed to the Audit Committee of the Board by the Ombudsman/Committee.

xii) The Committee will then decide the appropriate disciplinary action and inform the HR Department for immediate execution.

xiii) The HR Department in consultation with the Committee will execute the disciplinary action at the earliest.

7. SECRECY/ CONFIDENTIALITY:

The Whistle Blower, the Subject, the Ombudsman, the Committee, the Investigation Officer(s) and everyone involved in the process shall:

- a.** Maintain complete confidentiality/secretcy of the matter.
- b.** Not discuss the matter in any informal/social gatherings/meetings.
- c.** Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
- d.** Not keep the papers unattended anywhere at any time.
- e.** Keep the electronic mails/files under password.

If anyone is found not complying with the above, he/she shall be held liable for such disciplinary action as is considered fit.

8. PROTECTION / NON RETALIATION:

- i)** No unfair treatment in any manner will be meted out to a Whistle Blower by virtue of his/her having reported a Disclosure under this Policy.

- ii)** The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against the Whistle Blower.

- iii)** Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behaviour or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties/functions including making further Disclosures in the future.

- iv)** Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

9. OWNERSHIP & REPORTING

The Audit Committee of the Board shall oversee the Whistle Blower Policy through the Ethics Committee.

A quarterly report with the number of complaints received under the policy and their outcome shall be placed before the Audit Committee by the Ombudsman.

In all instances, the Company retains the prerogative to determine when circumstances warrant an investigation and, in conformity with this policy and applicable laws and regulations, the appropriate investigative process to be employed.

This policy issued on aforesaid date shall supersede any other policy/guidelines existing on the subject.

For and on behalf of the Board of Directors
Usha International Limited

N.K. GOILA
DIRECTOR

Annexure 1

Members of the Committee:

(This Committee was re-constituted by the Board in its meeting held on 6th June, 2015)

1. Mr. N. K. Goila (Director)
2. Mr. P.K. Bhalla (Director)
3. Dr. Priya Somaiya, Executive Director
4. Mr. Madhav Mani (Senior Vice President-HR)
5. Mr. Dinesh Chhabra, Chief Executive Officer
6. Mr. Manish Gupta (General Counsel & Company Secretary)

Annexure 2

RECOMMENDED FORMAT FOR DISCLOSURE

Place of Occurrence:

Date:

Nature of complaint:

Against whom: (Name, Department and Location)

Other members involved (directly / indirectly) :

Any other eye witness (internal / external):

Financial / Otherwise Impact (approx.):

DETAIL NARRATION OF THE DISCLOSURE