

UB ENGINEERING LIMITED
POLICY FOR WHISTLE BLOWER & VIGIL MECHANISM
(Approved by the Board of Directors on May 29, 2015)

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1. Preface

- a. The Company believes in the conduct of the affairs of the Company in a fair and transparent manner by adopting high standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the UBEL Code of Conduct (“the Code”) which lays down the principles and standards that should govern the actions of the Company, its Directors and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company.
- b. The Company has adopted a “Code of Business Conduct and Ethics” (hereinafter referred to as “Code”) at its meeting held on December 31, 2005, amended on November 19, 2014, wherein incidence of fraud and its investigations and role of Directors / Employees in this regard have been briefly dealt with.
- c. However, in order to be complaint with the amendment of the Listing Agreement, this Whistleblower Policy (herein after referred to as “the Policy”) has been formulated with a view to provide a mechanism for Directors and employees of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee of the Company.

2. Definitions

The definitions of some of the key terms used in this Policy are given below. Other than items not defined herein shall have the meaning assigned to them under the Code/Companies Act.

- a. “**Protected Disclosure**” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- b. “**Subject**” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- c. “**Ethics Counsellor**” means one of the senior level executive of the Company or Group nominated by the Company to discharge the functions.
- d. “**Whistleblower**” means an Employee or Director making a Protected Disclosure under this Policy.

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3. Eligibility

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures shall be in relation to matters concerning the Company.

4. Disqualifications

- a. While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a *mala fide* intention.
- c. Whistleblowers, who make one or more Protected Disclosures, which have been subsequently found to be *mala fide*, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

5. Procedure

- a. All Protected Disclosures concerning financial/accounting matters and internal financial control lapses should be addressed to the Chairman of the Audit Committee.
- b. In respect of all other Protected Disclosures, those concerning the business operations of the Company shall be referred to the Ethics Counsellor.
- c. The contact details of the Chairman of the Audit Committee and of the Ethics Counsellor of the Company are as under:

i) Audit Committee Chairman

Mr. M.S.Reddy
No.18, Subbarao Avenue, College Road,
Chennai -600 006

ii) Ethics Counsellor

Mr.J.K.Sardana
UB Engineering Ltd,
Sahyadri Sadan, Tilak Road,
Pune-411030

All protected disclosures should be in writing and duly signed with their address for identification.

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6. Investigation

- a. The Ethics Counsellor / Chairman of the Audit Committee may at his discretion, consider involving any Investigators for the purpose of investigation.
- b. The decision to conduct an investigation taken by the Ethics Counsellor / Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process.
- c. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- d. Subjects shall have a duty to co-operate with the Ethics Counsellor / Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- e. The investigation shall be completed within a reasonable time.

7. Protection

- a. A Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure will be secured.
- b. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Ethics Counsellor / Chairman of the Audit Committee (e.g. during investigations carried out by Investigators).
- c. Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

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8. Decision

If an investigation leads the Ethics Counsellor / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Ethics Counsellor / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Ethics Counsellor / Chairman of the Audit Committee deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

9. Reporting

The Ethics Counsellor shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

10. Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

11. Amendment

The Company reserves its right to amend or modify the Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to the Employees and Directors in writing.
