



YASH PAPERS LIMITED

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VIGIL MECHANISM / WHISTLE BLOWER POLICY

I. PREAMBLE

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Also, with effect from October 1, 2014, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, *inter alia*, provides for a mandatory requirement for all listed companies to establish a mechanism called "Whistle Blower Mechanism" enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. The role of the employees in pointing out such violations of the code cannot be undermined.

Accordingly, a Vigilance Mechanism/Whistle Blower Policy ("the policy") has been formulated for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct .

II. POLICY

The Policy established by "YASH PAAPRS LIMITED" intends to cover serious concerns that could have grave impact on the operations and performance on the business of the company.

The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

III. POLICY OBJECTIVES

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.

The mechanism provides for adequate safeguards against victimization of Directors and employees who

avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This policy aims to provide an avenue for employees to raise concerns of any violations of legal or statutory requirements, incorrect or misrepresentation of any financial statements and reports.

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 about a personal situation.

IV. DEFINITIONS

“Protected Disclosure” means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title **“SCOPE OF THE POLICY”** with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

“Disciplinary Action” means any action that can be taken on the completion of/during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

“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.

“Vigilance Officer/Vigilance Committee or Committee” is a person or Committee of persons, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee or disposing it and informing the Whistle Blower the result thereof.

“Whistle Blower” is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.

V. SCOPE OF THE POLICY

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel 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
2. Breach of Business Integrity and Ethics
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. Perforation of confidential/propriety information
9. Gross wastage/misappropriation of Company funds/assets

VI. ELIGIBILITY

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

VII. PROCEDURE

A. Procedure for reporting of Disclosures :

All Protected Disclosures should be reported in writing by the complainant as soon as possible but not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in Hindi / English. All Protected Disclosures can be submitted by hand delivery, courier, email or by post and should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases, when the whistle blower feels it necessary under the circumstances.

The contact details of the Vigilance Officer are as under:-

Name and Address – Dr. Indroneel Banerjee
Independent Director
Yash Papers Limited
1/13/1, Civil Lines
Faizabad-224001
Uttar Pradesh, India
Email- indroneel.banerjee@gmail.com

While there is no specific format for submitting a disclosure, the following details MUST be mentioned:

- (A) Name address and contact details of the whistle blower,
- (B) Brief description of the malpractices, giving names of the alleged along with specific details as to time and place of occurrence if applicable,
- (C) The disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as **“Protected disclosure under the Whistle Blower policy”** or sent through email with the subject **“Protected disclosure under the Whistle Blower policy”**. If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

B. Dealing with disclosures:

- (a) The whistle blower shall acknowledge the receipt of the Disclosure as soon as possible (preferably within 07 days of receipt of a Disclosure), where the Whistle blower has provided his contact details.
- (b) The Vigilance Officer will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the Disclosure constitute a Malpractice by discussing with the Executive Directors and CMD of the Company (if required). If the Vigilance Officer determines that the allegations do not constitute a Malpractice, he/she will record this finding with reasons and communicate the same to the Whistleblower.
- (c) The Vigilance Officer determines that the allegations constitute a Malpractice, he/she will proceed to investigate the Disclosure with the assistance of the Whistle Committee comprising of Senior Level Officers of Personnel & Admin, Internal Audit and a representative of the Division/ Department where the breach has occurred, as he/she deems necessary. If the alleged Malpractice is required by law to be dealt with under any other mechanism, the Vigilance Officer shall refer the Disclosure to the appropriate authority under such mandated mechanism and seek a report on the findings from such authority.

- (d) 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.
- (e) The investigation may involve study of documents and interviews with various individuals. Any person required providing documents, access to systems and other information by the Vigilance Officer or Whistle Committee for the purpose of such investigation shall do so. Individuals with whom the Vigilance Officer or Whistle Committee requests an interview for the purposes of such investigation shall make themselves available for such interview at reasonable times and shall provide the necessary cooperation for such purpose.
- (f) If the Malpractice constitutes a criminal offence, the Vigilance Officer will bring it to the notice of the Executive Directors & CMD and take appropriate action including reporting the matter to the police.
- (g) The CMD of the Company may, at his/her discretion, participate in the investigations of any Disclosure.
- (h) The Whistle Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Vigilance Officer as soon as practically possible and in any case, not later than 90 days from the date of receipt of the Disclosure. The Vigilance Officer may allow additional time for submission of the report based on the circumstances of the case.
- (i) Whilst it may be difficult for the Vigilance Officer to keep the Whistleblower regularly updated on the progress of the investigations, he/she will keep the Whistleblower informed of the result of the investigations and its recommendations subject to any obligations of confidentiality.
- (j) The Vigilance Officer will ensure action on the recommendations of the Whistle Committee/ Officer and keep the Whistleblower informed of the same. Though no timeframe is being specified for such action, the Company will endeavor to act as quickly as possible in cases of proved Malpractice.

C. DECISION AND REPORTING

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee/vigilance officer shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

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.

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

VIII. MANAGEMENT ACTION ON FALSE DISCLOSURE

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure made by him and for legitimate reasons or cause under Company rules and policies.

IX. RIGHTS OF A SUBJECT

- a) Subjects have the right to be heard and the Vigilance Officer or the Committee must give adequate time and opportunities for the subject to communicate his/her say on the matter.
- b) Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the company after the completion of the inquiry/investigation process.

X. CONFIDENTIALITY

The complainant, Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy and discuss the same only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

XI. PROTECTION TO WHISTLE BLOWER

1. If one raises a concern under this Policy, he/she shall not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available provided that:
 - a. The communication/ disclosure is made in good faith
 - b. He/She reasonably believes that information, and any allegations contained in it, are substantially true; and
 - c. He/She is not acting for personal gain

Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.

However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

2. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and disciplinary action taken against any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.

Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

XII. 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 period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

XVI. AMENDMENT

The Company reserves its right to amend or modify this 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 Directors and employees unless the same is not communicated in the manner described as above.

PROCESS FLOW

