

BABA ARTS LIMITED
CIN : L72200MH1999PLC119177

WHISTLEBLOWER POLICY

(Adopted at the board meeting held on 14th may, 2014)

Registered Office:

3A, Valecha Chambers,
Off. New Link Road,
Andheri(West),
Mumbai-400053

Website: www.babaartslimited.com

Email ID: babaartslimited@yahoo.com

I. The Purpose of this Policy

Baba Arts Limited (“BAL”) or (the “Company”) believes in complying with the laws that apply to it, and conducting its business affairs in fair, transparent and ethical manner, satisfying the Company’s Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company’s financial information is accurate. It is in the interest of the company that any potential or actual violations of Company policies or applicable laws are recognized, reported and addressed immediately by taking timely remedial measures, to prevent governmental investigation, prosecution, fines, and other penalties for both the Company and those working for or with the Company that can be costly.

Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company policies and applicable laws.

The responsibility of the employees of BAL at all levels to practice ethical behaviour and be vigilant to any exceptions coming to their knowledge, is now being codified by way of a “Whistleblower Policy”.

The said policy has been formulated with a view to give protection to persons who raise concerns or disclose potential or actual violations of applicable laws or company’s Code of Conduct and Ethics or alleged wrong doings, so that they report the same without any fear of victimization or adverse action.

II. Definitions:

The definitions of some of the key terms used in this Policy are given below:

“Alleged Wrongful Conduct” includes

- i. violation of any law applicable to BAL,
- ii. mismanagement of affairs,
- iii. financial irregularity, accounting or financial reporting violations,
- iv. actual or suspected fraud,
- v. any infringement of BAL’s code of conduct and ethics or abuse of authority by any Employee and shall also include abuse of vulnerable adults by any Employee whether physically, sexually, financially, psychologically / emotionally or through neglect or discrimination.
- vi. failure to report any Wrongful Conduct, potential or actual violation of any applicable law or Company’s Code of Conduct and Ethics as required under this Policy.
- vii. Retaliation including adverse actions, harassment, or discrimination in your employment relating to reporting of a suspected violation by an employee.

“Audit Committee” shall mean the Audit Committee constituted by the Board of Directors of BAL in accordance with the provisions of Section 292A of Companies Act, 1956.

“BAL” or “Company” shall mean Baba Arts Limited.

“Business Day” shall mean any day (other than a Sunday or a public holiday) on which BAL’s offices are officially open for business.

“Competent Authority” shall have the meaning assigned to it under Paragraph III of this Policy.

“Complaint” shall mean a Complaint submitted in writing by a Whistleblower under and in terms of the provisions this Policy.

“Employee” shall mean all employees (whether temporary or permanent) of BAL, and for the purposes of this Policy, include the directors of BAL.

“Good Faith” shall mean the belief of the Whistleblower that the Complaint is true, correct and without malice, which shall be deemed lacking when the Whistleblower does not have personal knowledge of the facts for the Complaint, or where the Whistleblower knew or reasonably should have known that the complaint is malicious, false or frivolous, or where the Whistleblower failed to exercise due care while making a Complaint under this Policy.

“Investigator(s)” shall mean the person(s), including a Service Provider, Appointed by the Competent Authority for the purpose of conducting an investigation in relation to any Complaint under this Policy.

“Policy” shall mean the Whistleblower Policy of BAL, as amended from time to time.

“Service Providers” shall mean and include valuers, legal advisors, accountants, consultancy firms or any other person providing professional service of any nature and also includes suppliers / providers of any goods or other services to BAL in BAL’s ordinary course of business.

“Subject” means a person, against or in relation to whom, a Complaint has been made under this Policy.

“Whistleblower” means any Employee, Service Provider who complains to the Competent Authority in writing, of any Alleged Wrongful Conduct.

III. Competent Authority:

1. The authority competent to consider the Complaints made under this Policy shall be:
 - a. Where the Whistleblower is an Employee:
 - (i) the Managing Director of BAL (MD), where the Complaint is against Employee(s) whose position is two or more levels below the MD;
 - (ii) Chairman of the Audit Committee or any member thereof as may be specified in writing by the Chairman of the Audit Committee, for Complaints that do not fall under the category (i) above.
 - b. Where the Whistleblower is not an Employee, the Competent Authority shall be the Chairman of the Audit Committee or any member thereof as may be specified in writing by the Chairman of the Audit Committee.
2. In case a Complaint is received by any Employee of Arcil, not being the Competent Authority, the same shall be forwarded to the Chairman of the Audit Committee for necessary action, including referring the same to MD, if the same falls within his purview.

You are required to read this Policy and submit the attached certification that you will comply with it.

IV. Duty to Report

An Employee or Service Provider who observes any or notices or in good faith believes that there is any wrongful act or conduct or is reasonably satisfied that there is a potential or actual violation of any law or Code of Conduct and Ethics of BAL is required to make a complaint in Good Faith to the Competent Authority in writing about such wrongful act or conduct or suspected violation of any law that applies to the Company and any suspected violation of the company's Code of Conduct and Ethics.

Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws.

An employee should not fear any negative consequences for reporting in good faith reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy.

V. How to Report

An employee must report all suspected violations to the Competent Authority in writing, by sending an e-mail to: babaartslimited@yahoo.com

or

by sending a written complaint to the Compliance Officer at:

Naishadh H Mankad
Compliance Officer
Baba Arts Limited
3A, Valecha Chambers,
New Linking Road
Andheri (West), Mumbai 400053
nhmankad@gmail.com

or

to the Audit Committee of BAL Board of Directors (the “Audit Committee”) at:

Chairperson, Audit Committee
Baba Arts Limited
3A, Valecha Chambers,
New Linking Road
Andheri (West), Mumbai 400053

Because an employee has several means of reporting , he need never report to some one he believes may be involved in the suspected violation or from whom he would fear retaliation.

The report of complainant should give specific and sufficient details to enable the competent authority to take an informed decision about the admissibility of the complaint and to undertake further investigation. The Complaint should include:

- (a). name, address and contact number of the Whistleblower;
- (b) name(s) of the Subject(s) and his / her / their designation(s), if known;
- (c) nature and detailed facts of the Alleged Wrongful Conduct;
- (d) information or copy(ies) of the documentary proof or evidence in support of the Complaint, if any;
- (e) the impact/effect, either monetary or otherwise, on BAL, if possible; and
- (f) a confirmation by the Whistleblower that he/she is willing to substantiate the Alleged Wrongful Conduct referred to in the Complaint, appear and testify before the Investigator(s), as and when called by the Investigator(s) and otherwise co-operate in the investigation of the Complaint.

The Complaint shall be delivered in a sealed envelope addressed to the Competent Authority, superscribed “Whistleblower Policy” on top of the envelope or by way of an e-mail marked to babaartslimited@yahoo.com, a dedicated e-mail account which can be accessed only by any member of the Audit Committee or by any Employee(s) authorised for such purpose.

Any anonymous complaint received under this Policy will not normally be processed. However, depending upon the materiality of the alleged wrongful Conduct and credibility of supporting evidence/ information provided, the Competent Authority may decide to consider the Complaint and investigate the same.

VI. Investigations

On receipt of any Complaint, within 7 Business Days the Competent Authority shall decide and intimate to the Complainant on admission of the complaint and investigation in to the same.

Where the Competent Authority decides to admit the Complaint, he will appoint an Investigator to investigate the Complaint within 3 days of admission of the Complaint and intimate the same to the complainant.

The investigator will promptly and appropriately investigate, all the complaints referred to him and subject to applicable laws and legitimate needs of investigation, he shall keep the process of investigation and all information disclosed during the course of the investigation confidential.

The investigation shall be carried out in a fair and just manner and in accordance with applicable laws without presumption of guilt.

The Investigator shall, as far as possible, complete the investigation within 30 business days of reference of the complaint by him from the Competent Authority for undertaking investigation and submit his report to the Competent Authority within 3 business days of completion of investigation.

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.

If after completion of investigation it is concluded that the complaint made under this policy is false or otherwise than in good faith, the company may take appropriate action against the Whistleblower which may include debarring him from making further complaints under this policy and termination of his services.

VII. Protection of Whistleblower:

1. The Company shall protect the Whistleblower from victimization, discrimination, intimidation, demotion, termination of service, or any other form of unfair treatment on account of his making a complaint under this policy.
2. If the Whistleblower is subjected to any kind of unfair treatment, he may make a complaint of the same to the Competent Authority who shall investigate the same and recommend such disciplinary action or remedial measure as he may deem fit.
3. The company shall make every effort to keep the identity of the Whistleblower confidential subject to the legal constraints, if any.
4. Any person who undertakes investigation of any complaint or assists in investigation shall also be given similar protection under this policy.

VIII. Reporting Requirement

The Competent Authority shall give a quarterly report on all complaints received under this policy.

IX. Document Retention

All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept in accordance with the Company's record retention policy and applicable law.

X. Annual Affirmation:

The Board of Directors of BAL shall annually affirm that the Company has not denied any Whistleblower access to the Competent Authority and it has provided protection to the Whistleblowers as envisaged under this policy.

XI. Modification

The Audit Committee or the Board of Directors of BAL can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with Central, State or Local Regulations and / or accommodate organizational changes within the Company.

XII. Notification:

This policy as amended from time to time shall be posted on the Company's Website for information of all concerned.

A copy of this policy has been circulated to all the Directors and employees of the Company.

Please sign the acknowledgment form below and return it to Compliance Officer. This will let the Company know that you have received the Whistleblower Policy and are aware of the Company's commitment to a work environment free of retaliation for reporting violations of any Company policies or any applicable laws.