

CEIGALL INDIA LIMITED

7. WHISTLE-BLOWER POLICY

1. PREFACE

- 1.1 Ceigall India Limited (**'Company'**) believes in the conduct of the affairs of itself and its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to developing a culture where it is safe for all employees and directors to raise concerns about any poor or unacceptable practice and any event of misconduct. Towards this end, the Company has adopted this **Ceigall India Limited – Whistle-blower Policy ("Policy")**. The purpose of this policy is to provide a framework to promote responsible and secure vigil mechanism / whistle-blowing. It protects employees and directors wishing to raise a concern about serious irregularities within the Company and attempts to correct / rectify such irregularities.
- 1.2 Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, mandates the following classes of Companies to constitute a vigil mechanism –
 - Every Listed Company;
 - Every other Company which accepts deposit from the public; and
 - Every Company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores (Rupees Fifty crores);
- 1.3 Regulation 22 of the SEBI (LODR) Regulations, 2015 provides the following in relation to Vigil Mechanism:
 - 1.3.1 The listed entity shall formulate a vigil mechanism / whistle-blower policy for directors and employees to report genuine concerns.
 - 1.3.2 The vigil mechanism shall provide for adequate safeguards against victimization of director(s) and employee(s) or any other person who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.4 The Company encourages all employees, officers and directors to report any suspected violations promptly and intends to investigate any good faith reports of violations. Accordingly, this Whistle-blower Policy has been formulated with a view to provide a mechanism for employees and directors of the Company to approach the Ethics Counsellor / Chairman of the Audit Committee of the Company. Open communication of the issues and concerns by all employees, officers and directors without fear of retribution or retaliation is essential for successful implementation of this Policy, and if necessary confidentiality of the Whistle-blower at his option. The Ethics Counsellor/Chairman of Audit Committee of the Board shall notify the Board of Directors of any matters reported under this policy.
- 1.5 Singular used in this Policy includes plural and vice versa and masculine includes feminine.

2. Definitions

- 2.1 **“Audit Committee”** means the Audit Committee constituted/reconstituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.
- 2.2 **“Employees”** means every employee of the Company (whether working in India or abroad and whether temporary or permanent), including the Directors in the employment of the Company.
- 2.3 **“Ethics Counsellor”** means Chairman or any such other person as may be authorized by the Audit Committee and/or the Board of the Company who will have primary authority and responsibility for the enforcement of this Policy and to investigate or oversee investigations of the Protected Disclosures or any matter in connection therewith, as per directions, if any, by the Audit Committee.
- 2.4 **“Investigators”** means those persons / firms / bodies authorized, appointed, consulted or approached by the Ethics Counsellor / Audit Committee and include the Auditors and/or the Group Internal Audit Head of the Company.
- 2.5 **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical behaviour, actual or suspected, fraud or violation of the Code or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements.
- 2.6 **“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.
- 2.7 **“Whistle-blower”** means an Employee or a Director making a Protected Disclosure under this Policy.

3. Scope

- 3.1 The Whistle-blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigator or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle-Blowers provide initial information related to a reasonable belief that an improper or unethical or fraud or violation practice has occurred.
- 3.2 Protected Disclosure will be accordingly dealt with by the Ethics Counsellor or the Chairman of Audit Committee, as the case may be.
- 3.3 Exclusions: Issues arising out of Company's policy with regard to remuneration, performance bonus, promotions, increment, leave sanctions, amenities/perks and transfers will not be dealt with under this Policy.

4. 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 matter concerning the Company.

5. Disqualifications

- 5.1 While it will be ensured that genuine Whistle-blowers are accorded complete protection from any kind of victimization or unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action against them.
- 5.2 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 malafide intention.
- 5.3 Protection under this Policy would not mean protection from any adverse action which occurs independent of Whistle-blower's Protected Disclosure such as action for wrongful conduct, poor job performance or any action taken for legitimate reasons or cause under Company's Rules and Policies.
- 5.4 Whistle-blowers, who make three 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 Whistle-blowers, the Company/Audit Committee would reserve its right to take / recommend appropriate disciplinary action.

6. Procedure

- 6.1 All Protected Disclosures concerning financial, accounting, internal controls and auditing issues and those concerning the Ethics Counsellor himself, should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- 6.2 All other Protected Disclosures should be sent / addressed to the Ethics Counsellor of the Company.
- 6.3 The contact details of the Chairman of the Audit Committee and Ethics Counsellor are as under:

Chairman of the Audit Committee	Ethics Counsellor of the Company
e-mail id: arungoyalca@gmail.com	e-mail id: ta@ceigall.com

- 6.4 If a protected disclosure is received by any Executive of the Company other than Chairman of Audit Committee or Ethics Counsellor, the same should be forwarded by that Executive to the Company's Ethics Counsellor for further appropriate action, and utmost care should be taken to protect the identity of the Whistle-blower during the process.
- 6.5 Protected Disclosures should preferably be reported in writing (in sealed envelopes / emails marked as 'Private & Confidential') so as to ensure a clear understanding of the issues raised. It should either be typed or written in a legible handwriting in English.

- 6.6 The Protected Disclosure should be forwarded under a covering letter, which shall bear the identity of the Whistle-blower. The Whistle-blower may disclose his identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosure will also be entertained. However, it may not be possible to interview the Whistle-blowers and grant them protection under the policy.
- 6.7 Protected Disclosure should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

7. Investigation

- 7.1 All Protected Disclosures reported under this Policy will thoroughly be investigated by the Ethics Counsellor / Audit Committee of the Company in accordance with the normal procedure. The Ethics Counsellor / Audit Committee may at its discretion involve Investigators (any person / firm / body) to investigate / assist in investigation.
- 7.2 Protected Disclosures involving or relating to the Ethics Counsellor or which, in the opinion of the Audit Committee, may hamper the independence of the Ethics Counsellor in conducting the investigation will be investigated by the Audit Committee either by itself or through any other agency.
- 7.3 Investigations will be launched only after the Chairman of the Audit Committee is convinced prima facie at the time of the preliminary review that:
 - 7.3.1 the alleged act constitutes unethical behaviour, actual or suspected fraud or any other unethical or improper activity or conduct or violation which are detrimental to the interests of the Company; and
 - 7.3.2 the allegation is supported by information specific enough to be investigated. Matter that do not meet this standard may be worthy of management review, but investigation will not be undertaken. Management review should be by a person of a higher rank and who is independent of the person allegedly involved ensuring that the Management is not subjective.
- 7.4 The decision to conduct an investigation taken by the Audit Committee / Ethics Counsellor is by itself not an accusation but is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support the conclusion of the Whistle-blower.
- 7.5 The identity of a Subject will be kept confidential to the extent possible subject to the legitimate needs of law and the investigation.
- 7.6 The Subject will normally be informed of the allegations at the outset of a formal investigation and shall be given reasonable opportunity of being heard and for providing their inputs during the investigation.

- 7.7 The Subject shall have a duty to co-operate with the Ethics Counsellor / Audit Committee or any of the Investigators during investigation to the extent that mere co-operation sought does not require them to admit guilt.
- 7.8 The Subject has a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject. If the Subject is found indulging in any such actions, they will make themselves liable for disciplinary actions. Under no circumstances, the Subject should approach investigator directly/indirectly to disclose the identity of the Whistle-blower.
- 7.9 Unless there are compelling reasons not to do so, the Subject will be given the opportunity to respond to material findings contained in an Investigation Report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is sufficient evidence in support of the allegation.
- 7.10 The Subject has a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 7.11 The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure unless extension is granted by the Chairman of the Audit Committee in exceptional case/s.
- 7.12 The Audit Committee / Ethics Counsellors / Investigators shall have a right to call for any information / documents from the Whistle-blower, Company, Subject, Employees, Directors or other persons, as they may deem appropriate for the purpose of conducting investigation.

8. Protection

- 8.1 No unfair treatment will be given to a Whistle-blower by virtue of his having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle-blowers or any action which affects them negatively. Complete protection will, therefore, be given to Whistle-blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, denial of benefits to which he is entitled or the like including any direct or indirect use of authority to obstruct the Whistle-blower's right to continue to perform his duties/functions including making further Protected Disclosure.
- 8.2 The Whistle-blower shall have right to approach the Chairman of Audit Committee for relief in case he observes that he is subjected to any unfair treatment / victimization as aforesaid as a result of his Protected Disclosure. In such cases, the Chairman of Audit Committee may, after hearing him, order investigation and provide appropriate relief to the Whistle-blower.
- 8.3 The Company will take steps to minimize difficulties which the Whistle-blower may experience, as a result of making the Protected Disclosure. Thus, if the Whistle-blower is required to give evidence in criminal or disciplinary proceedings, the Company will at its expense arrange for the Whistle-blower to receive advice about the procedure etc.

- 8.4 The identity of the Whistle-blower shall be confidential to the extent possible and permitted under law. Whistle-blowers are cautioned that their identity may become known for reasons outside the control of the Ethics Counsellor / Audit Committee / Investigators.
- 8.5 Any other Employee/Director assisting in the said investigation shall also be protected to the same extent as the Whistle-blower.
- 8.6 While management is determined to give appropriate protection to the genuine Whistle-blower, the employees at the same time are advised to refrain from using this facility for furthering their own personal interest. If proved, such cases may be referred to the Audit Committee for disciplinary action.

9. Investigators

- 9.1 Investigators are required to conduct a process towards fact-finding and analysis related to alleged improper or unethical activities. Investigators shall derive their authority and access rights from the Audit Committee, when acting within the course and scope of their investigation.
- 9.2 Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.

10. Decision

If an investigation leads the Ethics Counsellor / Audit Committee to conclude unethical behavior, actual or suspected fraud or violation of the Code or any other unethical or improper activity or act has been committed, the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as they deem 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.

11. Reporting

The Ethics Counsellor shall submit a report to the Audit Committee expeditiously about all Protected Disclosures referred to him together with the results of investigations, actions recommended, if any and implementation of the same. The Chairman of Audit Committee shall report any issues raised before him, under this Policy, to the Board of Directors after the investigation is completed and the report is submitted to the Audit Committee along with the recommendations. The Ethics Counsellor should also report to the Audit Committee the concern raised, if any, for victimization for employment related matter by the Whistle-blower and action taken thereon. Above Reports shall be reviewed and recorded by the Audit Committee.

12. Retention of documents

All Protected Disclosures documented along with the proceedings and results of investigation relating thereto shall be retained by the Company for a minimum period of eight years after completion of the action taken.

13. 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. Unless otherwise specified, such amendments shall be effective after the date of the meeting of the Board of Directors of the Company at which such amendments are approved. However, no such amendment or modification will be binding on the employees and directors unless the same is notified to them in writing.

14. Dissemination

This Policy shall be appropriately communicated within the Company including by way of putting the Policy on the website of the Company or making it as a part of employee handbooks, etc. A copy of this Policy shall be provided to every Employee on requisition.

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