

# CHITRAKUT HOLDINGS LIMITED

## **Vigil Mechanism (Whistle Blower Policy)**

### **1. Preamble:**

The Company believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.

Section 177 (9) of Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, *inter-alia*, provides, a mandatory requirement, for all listed companies to establish a mechanism called “Vigil Mechanism (Whistle Blower Policy)” for directors and employees.

### **2. Objective:**

- a) This policy is formulated to provide a mechanism for directors and employees to report their genuine concerns and grievances to the Audit Committee of the Company.
- b) This policy provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism

### **3. Applicability:**

This policy applies to directors and permanent employees of the Company.

### **4. Definitions:**

“*Audit Committee*” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities Exchange Act, 1934, as may be applicable.

“*Employee*” means every employee of the Company including the Directors in the employment of the Company.

**“Disclosures”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

**“Subject”** means a person against or in relation to whom a Disclosure has been made or evidence gathered during the course of an investigation.

**“Whistle blower”** means an employee or director making a Disclosure Under this Policy.

**“Company”** means Chitrakut Holdings Limited.

## **5. Scope of Policy:**

The policy intends to cover following information on suspected unethical and improper practices or wrongful conduct, which employee in good faith believes to exist:

- a. Abuse of authority;
- b. Breach of contract;
- c. Negligence causing substantial and specific danger to public health and safety;
- d. Manipulation of company data/records;
- e. Financial irregularities, including fraud, or suspected fraud;
- f. Criminal offence including bribes;
- g. Leaking of confidential/propriety information;
- h. Deliberate violation of law/regulation;
- i. Wastage/misappropriation of company funds/assets;
- j. Breach of employee Code of Conduct;
- k. Any other unethical, biased, favoured, imprudent event.

The above list is only illustrative and should not be considered as exhaustive.

## **6. Procedures:**

- a. The Audit Committee will be responsible for receiving all communications under this policy
- b. Any director or employee who observes any unethical and improper practices or alleged wrongful conduct by the subject shall make a disclosure to the Audit Committee in writing as soon as possible but not later than 60 consecutive calendar days after becoming aware of the same and shall furnish as much detail and evidence as possible.
- c. The Audit Committee shall appropriately and expeditiously investigate all reports received.
- d. The Audit Committee shall have right to call for any information / document and

examination of any director or employee of the Company or other person(s) as they may deem appropriate for the purpose of conducting investigation under this policy.

- e. The Audit Committee may order for remedies which may inter alia include:
  - i. Revision of the policies and procedures of the Company to reduce the risk of reoccurrence.
  - ii. Suggest modification to any action taken against concerned persons.

## **7. Protection:**

- a. No discrimination, harassment, victimization or any other unfair employment practice like retaliation, threat or intimidation by termination /suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like will be adopted against Whistle Blowers.
- b. A Whistle Blower may report any violation of the above clause to the Audit Committee.
- c. Direct access to the Audit Committee Chairman, in exceptional circumstances, can be given to the whistle blower.
- d. The Audit Committee may recommend suitable action to the management which may inter alia include:
  - i. Reinstatement of the employee to the same position or to an equivalent position.
  - ii. Order for compensation for lost wages, remuneration or any other benefits, etc.

## **8. Confidentiality:**

The Company will treat all such disclosures in a sensitive manner and will keep the identity of the whistle blower confidential. However, the investigation process may inevitably reveal the source of the information and the individual making the disclosure may need to provide a statement which cannot be kept confidential if legal proceedings arise.

## **9. Untrue / Malicious / Vexatious Allegations:**

If an individual makes an allegation, which is not confirmed by subsequent investigation and the investigation shows that an individual has made malicious or vexatious allegations for personal leverage or if an individual makes repeated frivolous complaints, disciplinary action may be taken against the individuals concerned.

## **10. Anonymous complaints:**

In order to discourage frivolous and baseless allegations and misuse of this policy, the Audit Committee will not take cognizance of anonymous disclosures. However, the contents of the

anonymous letters may be taken note of by the members of the Committee, if the allegations are substantiated by facts and after due deliberations, the Committee members may decide whether to examine the issues raised by the anonymous complainants.

**11. Notification:**

All departmental heads are required to notify and communicate the existence and contents of this policy to the employees of their department. New employees shall be informed about the policy by the HR department and statement in this regard should be periodically submitted to the Compliance Officer of the Company i.e. the Company Secretary for placing before the Audit Committee.

**12. Communication:**

All communication under this policy is to be made to the Secretary, Audit Committee whose details are as below:

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| Secretary, Audit Committee<br>CHITRAKUT HOLDINGS LIMITED.<br>1/1, Camac Street,<br>3 <sup>rd</sup> Floor, Room No. 7,<br>Kolkata – 700 016 | <u>Mail to:</u><br>gmchl@rediffmail.com |
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