

WHISTLE - BLOWER POLICY
VCCL LIMITED

WHISTLE-BLOWER POLICY

The Company is committed to conduct its affairs with a just approach by adopting highest principles of expertise, sincerity and reliability and have zero tolerance for unethical behavior. The Company is dedicated to take necessary steps to ensure maintenance of a workplace that facilitates the reporting of violations of Company's policies and applicable laws. As, the role of the employees and directors in pointing out violations and wrongdoings in a company cannot be undermined, it is our prime concern to ensure that they are able to raise concerns freely and without the fear of retaliation. Towards this end, the Company has drafted and adopted the following "Whistle-Blower Policy" for putting in place an effective Vigil Mechanism in the organization. The policy has been drafted in conformity with the requirements of Companies Act, 2013 and the Rules made there under and Clause 49 of the Listing Agreement with the Stock Exchanges.

The policy is addressed to employees and directors of the Company. Please note that any actual violation of this policy would be a matter of serious concern for the Company and attract actions against the violator.

1. DEFINITIONS

For the purpose of this policy:

- ✚ **"Company"** means "VCCL Limited".
- ✚ **"Employee"** means a person in permanent employment of the Company and who is working on whole-time basis in the day-to-day industrial/business activity of the Company, whether in India or abroad, including the directors in employment of the Company.
- ✚ **"Policy"** means "whistle-blower policy" of the Company.
- ✚ **"Protected Disclosure"** means information provided through written communication made by a whistle-blower that discloses / reports violations and unethical actions by any person within the Company.
- ✚ **"Whistle - Blower"** is someone who makes a Protected Disclosure under this Policy.
- ✚ **"Disciplinary Action"** means any action that may be taken during and/or after the completion of investigation proceedings. Such action may include a warning, imposition of fine, suspension or any such action as may be deemed fit.
- ✚ **"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, read with Clause 49 of the Listing Agreement with the Stock Exchanges, responsible for conducting investigation pursuant to the disclosures made by a whistle Blower.
- ✚ **"Ombudsman"** refers to **Mr. Shiromani Sharma**, an Independent Director on Company's Board, who has been appointed as Ombudsman by the Audit Committee for the purpose of this Policy.

2. SCOPE

A. Eligibility for making disclosures

Under the Policy, every Employee of the Company is eligible to make Protected Disclosures and is obliged to report any violation of any applicable law and/or unethical behavior. The Employee shall make Protected Disclosures in writing.

The Whistle - Blower is not authorized to take any action on his own against any suspected or actual violations committed by any person. He shall only report such violations to the Ombudsman or to any other person mentioned below in Para-3 for conducting investigations so that an appropriate action as may be considered necessary may be taken .

At the time of making the disclosure regarding any violation, the Whistle - Blower must reasonably believe such violation to be significantly true to the best of his knowledge. The Employee shall not make any disclosure and or allegation, which is based *inter alia* on hearsay or arising out of or relating to his/her personal reasons and or for any kind of collateral purposes.

B. What kind of violations may be reported?

The suspected violations may include but not limited to the following:

- ✚ Any actual or suspected **Fraud**, which includes, in accordance with the explanation to Section 447 of Companies act, 2013, any act, omission, concealment of fact, abuse of position, with or without the involvement of any other person, with an intention to achieve any unjust advantage or to harm the interests of the Company or its shareholders / creditors / other persons, immaterial of the fact whether or not there is any wrongful gain to the person committing or suspected to have committed the alleged fraud;
- ✚ Unethical behaviour;
- ✚ Violation of Company's prescribed code of conduct or ethical policy;
- ✚ Violations of the Anti-retaliation aspects of this Policy

3. HOW TO REPORT?

An Employee shall report any genuine concern or violation in writing to the Ombudsman.

If, for any unforeseen reasons, disclosure / reporting cannot be made to the Ombudsman, for the sake of convenience and to facilitate reporting of serious violations, the Employees shall be eligible to make disclosures to any of the persons mentioned below:

- ✚ Any of the following members of the Audit Committee of the Company:

Mr. S K Aggarwal

Contact number: 0120-4358752

Email:

Dr V K Agnihotri

Contact number: 9810933080

Email: vkagnihotri25@gmail.com

If an Employee has reasons to believe that his / her immediate senior or a member of the human resource department, or the Ombudsman, or any member(s) of the Audit Committee is/are involved in a suspected violation, he / she may report the same to:

Mr. Deepak Kumar Singhania, Chairman & Managing Director of the Company at:

Contact Number:

E-mail: deepak.singhania@VCCL.co.in

Tel. 0124-4500500; 0512-6660300

The Whistle - Blower may be contacted in case of requirement for any further information.

4. PROCEDURE OF INVESTIGATION

Investigation into the disclosures will be initiated by the Audit Committee only after they have been preliminary reviewed by the Ombudsman or Chairman of the Audit Committee, if Ombudsman cannot be reached. The Ombudsman or the Chairman of the Audit Committee shall filter the complaints and refer only those matters to the Audit Committee for investigations which involve material violations demanding further investigation.

If disclosures are made to a person other than the Ombudsman, then it shall be the duty of such person to report such disclosures to the Ombudsman or the Chairman of the Audit Committee for primary review.

The Ombudsman or any other person to whom the disclosures have been made will take steps to ensure that investigation proceedings, if required, are initiated by the Audit Committee within a period of 30 days from the date of reporting, provided such matter has been preliminarily approved by the Ombudsman or Chairman of Audit Committee for investigation. However, if the investigation proceedings are not initiated within 30 days of reporting, the Whistle - Blower may take up the matter directly with Mr. Deepak Kumar Singhania, Chairman & Managing Director at the contact information provided above in Para 3.

Investigations will be carried out by the Audit Committee on the basis of the written information and evidences provided by the Whistle Blower in an unbiased and professional manner observing the principle of natural justice and legal standards.

If there is an involvement of any member of the Audit Committee in any alleged violations, then such person shall not form part of the investigation proceedings. Investigation proceedings shall generally be completed by the Audit Committee a period of three months from the date of reporting of the suspected violations by a Whistle - Blower.

If post investigations, the members of the Audit Committee are of the view that the violations has been committed by such person, then adequate disciplinary action will be taken against such a person, depending upon the severity of the violation committed. However, before reaching any decision, the Audit Committee shall provide such person with adequate opportunity of being heard and if that person so desires to also make his/her submissions in writing.

In exceptional cases, where the Whistle - Blower is not content with the outcome of the investigation carried out by the Audit Committee, he can make a direct appeal to Mr. Deepak Kumar Singhania, Chairman & Managing Director of the Company.

5. CONFIDENTIALITY

The Company, through this Policy, gives assurance that confidentiality will be ensured by the Company in respect of the disclosures made by a Whistle - Blower and investigations thereon. For this purpose, the Whistle - Blower is therefore requested to make it clear at the time of making any disclosures that the disclosures are being made under this Policy. Further, the Audit Committee will also ensure that confidentiality is maintained in respect of all the information disclosed by a Whistle – Blower during the course of the investigations, except as may be necessary to conduct the investigation and for taking any remedial actions against the wrongdoer.

6. PROTECTION

A Whistle-Blower is an employee who exposes misconduct, alleged dishonest or illegal activity in the Company. As it is indisputable that reporting of such unethical behavior or violations is fundamental to the growth of a Company, the Company, therefore, intends to ensure vide this Policy, that the Whistle - Blowers are accorded protection from any kind of unfair treatment, discrimination or harassment in any other manner by the Company. Also, any other employee assisting in the said investigation will also be protected to the same extent as the Whistle - Blower.

No one shall take any adverse action against the Whistle - Blower for reporting any suspected violations and any incidents of retaliation against such person will result in appropriate disciplinary action against such person.

If a Whistle – Blower has reasons to believe that pursuant to the disclosures made by him, he has been victimized, then he may report the same to the Ombudsman or any of the persons mentioned in Para 3 of this Policy.

7. ACCOUNTABILITIES

The intent of the Policy is to bring genuine and material issues and violations to the knowledge of Company's management; therefore the Company expects that the facility is not misused in any manner. If during or after the investigation proceedings, it is found that an Employee has made malicious or frivolous allegations, then the Company reserves the right to take any form of disciplinary action against such employee, including but not limited to suspension or termination of employment.

If the allegation made by the employee is not confirmed subsequently in the investigation proceedings conducted by the Audit Committee, the Company will not take action against the employee, provided such disclosure and or allegation made by the employee was in good faith and the employee had reasons to believe it to be true and that the disclosure and or allegation was not based *inter alia* on hearsay or arising out of or relating to his/her personal reasons and or for any kind of collateral purposes.

In respect of the aforesaid provisions, decision of Mr. Deepak Singhania, Chairman & Managing Director of the Company, shall be final and binding.

8. REPORTING

The Audit Committee shall retain the documents pertaining to the disclosures made by a Whistle – Blower, evidences submitted and proceedings carried thereon, for a period of three years. The Audit Committee shall also submit a report on annual basis, to every independent directors of the Company containing the number of disclosures made under this policy along with the status of investigation proceedings and disciplinary action taken. The Audit Committee shall review the functioning of the Whistle Blower mechanism.

9. AMENDMENT

The Company reserves its right to amend this Policy at any point of time, if required. However, no modifications shall be effective if made in contravention with the Companies Act, listing agreement or any other applicable laws.

[Deepak Kumar Singhania]
Chairman & Managing Director
DIN No : 00012037)

Place : Gurgaon

Dated : 24.05.2014