



McDOWELL HOLDINGS LIMITED

**WHISTLE BLOWER POLICY
(Vigil Mechanism)**

McDowell Holdings Limited, UB Tower, Level 12, UB City, 24, Vittal Mallya Road, Bangalore – 560 001

1. Preface

Clause 49 of the Listing Agreement between the Company and the Stock Exchanges requires all listed companies to establish a Vigil mechanism called “Whistle Blower Policy” (the “Policy”) for the Director(s) and the Employee(s) to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company’s Code.

Accordingly, this Policy has been formulated (in addition to the Code of conduct) with a view to provide a mechanism for the Director(s) and Employee(s) to raise concerns of any unethical activity, violations of regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

2. Objective

The objective of this policy is to build and strengthen a culture of transparency and trust in the organization and to provide the Whistle Blowers a basis for responsible and secure reporting of unethical activities (whistle blowing) and to protect such Whistle Blowers. In order to maintain high standards of ethical, moral and legal conduct of business operations, the Company encourages its Directors and Employees who have concerns about actual or suspected unethical activities (as mentioned in clause 4 herein) to come forward and express their concerns without any fear of punishment or unfair treatment. This policy intends to address serious concerns that could have grave impact on the operations and performance of the business of the Company.

Whistle Blowers are encouraged to use guidance provided by this Policy for reporting all allegations of actual or suspected unethical activities. In all such instances, the Company retains the prerogative to determine as to when the concern warrants investigation in conformity with this Policy and investigation to be conducted.

The Company is committed to:

1. Ensure that any Employee or Director who makes a Protected Disclosure under this Policy (“and/or the person(s) processing the Protected Disclosure is not victimized for doing so;
2. Treat victimization as a serious matter, including initiating disciplinary action against such person
3. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

4. Provide sufficient opportunity of being heard to the persons involved especially to the “Subject”.

3. Definitions

“**Protected Disclosure**” means a concern raised through a written communication (in any form/ means) made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.

“**Whistle Blower**” is someone who makes a Protected Disclosure (reporting of concerns) under this Policy and may be nominated by the Company from time to time.

“**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 under this Policy.

“**Whistle Officer**” means an officer who is nominated/appointed under this Policy to whom the Complaint is made and who processes the Complaint.

“**Employee**” means every employee of the Company.

“**Vigil Committee**” means the Committee formed as per para 5 of this policy.

4. Scope

Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy. The Policy covers events which have taken place/ suspected to take place involving:

1. Breach of the Company’s Code of Conduct;
 2. Breach of terms and conditions of employment and rules thereof;
 3. Financial irregularities, including fraud, or suspected fraud;
 4. Deliberate violation of laws/regulations;
 5. Insider Trading;
 6. Wilful Negligence causing substantial and specific danger to health, safety and environment;
 7. Manipulation of company data/records;
 8. Pilferation of confidential/propriety information;
 9. Misappropriation of Company funds/assets;
 10. Abuse of Authority;
 11. Grant of unreasonable gifts, entertainment, hospitality or favours;
- Any other unethical, biased, favoured, imprudent activities which may or may not lead to the above.

5. Reporting Procedure and Action

Reportable matters are raised when required and reported to the Whistle Officer. A Whistle Blower can lodge a written complaint by approaching the Company Secretary & Compliance Officer (Whistle Officer) by sending a written complaint in a sealed envelope marked "Private and Confidential" or by sending an email. The complaint must be accompanied by documentary evidence to support the allegations.

The Whistle Blower who makes a Protected Disclosure under this Policy must disclose his/her complete identity and contact details in full so that follow up investigation is smooth in all respects. **ANONYMOUS DISCLOSURES SHALL NOT BE ENTERTAINED.**

The Whistle Officer shall place the Complaint before the Vigil Committee. The Vigil Committee shall comprise of either 3 Senior Executives of / Persons authorised by the Company or 3 persons from outside the Company appointed for this purpose. One of the Committee members shall be the Whistle Officer. The appointment of the Vigil Committee shall be done by the Audit Committee of the Board of Directors. The Vigil Committee shall appoint one of its members as the Chairperson who shall preside over its meetings.

- a) The Vigil Committee shall first determine whether the concern or complaint is genuine or not.
- b. If initial enquiry by the Vigil Committee indicates that the complaint has no basis or it is not a matter to be pursued, it may be dismissed and the decision shall be documented.
- c. Where initial enquiries indicate that further investigation is necessary the Vigil Committee shall carry out investigation in a fair and transparent manner.
- d. Post completion of investigation, the Vigil committee shall record its findings in writing and recommend appropriate action to be taken.

If the allegations are proved against the Subject, the Vigil Committee may recommend to the Management the following actions:

Termination of Employment, suspension, withholding of increment/incentives, transfer to another location or any other action as it may deem fit and proper.

5.1 Responsibilities of the Vigil Committee

- a. Maintain strict confidentiality.
- b. Ensure that investigation is fair and transparent.

- c. Provide sufficient and fair opportunity to the Subject to prove his/her innocence.
- d. Call for personal hearing of all concerned, take documents on record and record evidence.
- e. Decide on outcome of the investigation within 30 days from the date of receipt of complaint.
- f. Minute deliberations and document the final report. In the process, secure Legal Opinion or advice as may be required.

The decision of the Vigil Committee shall be final and binding.

6. Policy usage

The Company does not support the following:

1. Reporting of events presenting an immediate threat to life or property. In such cases, one needs to contact local authorities.
2. For any grievances you may have in relation to your terms of employment.
3. Settling personal disputes by means of this Policy.
4. Making accusations which you know are false or outdated. Doing so may lead to disciplinary Action.
5. Further, this Policy should not be used as a route for raising malicious or unfounded allegations against colleagues.

Enhancing Policy Effectiveness

1. Bring to early attention of the Whistle Officer any unethical practice they come to know about. There must be sufficient cause for concern affecting the business operations supported by documentary evidence.
2. All concerns must be raised within 10 working days of coming to know. Any complaint beyond 10 working days shall not be entertained.
3. Whistle Blower must cooperate during investigation and follow procedure. Also provide documentary evidence that may be called for by the Vigil Committee.

7. Protection to the Whistle Blower

1. The Management shall ensure that Whistle Blowers will not be at the risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, retribution, harassment or vengeance in any manner. The protection is available provided that:
 - a) The communication/ disclosure is made in good faith;
 - b) She/he reasonably believes that information and any allegations contained in it, are substantially true; and

- c) She/he 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.
 - d) However, no action will be taken against the Whistle Blower 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. Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

8. Management Action on False Disclosures

While this Policy is intended to protect genuine Whistle Blowers from any unfair treatment as a result of their disclosure, misuse of this protection by making frivolous and vexatious complaints with mala fide intentions are strictly prohibited. The Director or the Employee who makes complaints with mala fide intentions and which are subsequently proved false will be subject to strict disciplinary action. In case of a Director, the matter shall be reported to the Board of Directors.

9. External Whistle Blowing

Taking the concern to an outside agency (e.g. the media, etc.) can have serious implications for the Company, for the persons involved and possibly also for yourself/Whistle Blower and hence prohibited. By informing/whistle blowing internally, you/whistle blower give the Company the chance to look into the matter and take action if needed. In this way we can truly improve the Company together.

10. Information to Be Provided By the Whistle Blower

When the Whistle-Blower files a report, he/ she is required to provide as much detailed information as possible to enable the Company to assess and investigate the concern, such as:

- a. the background, history and reason for the concern;
- b. names, dates, places and other relevant information of the event;
- c. documents/ evidences to support the allegations;
- d. complete details of the Whistle Blower

11. Company's/ Board's Powers

The Company is entitled to amend, suspend or rescind this policy at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures from time to time to give effect to the intent of this policy and to enhance the objective of good corporate governance.

This Policy may be amended at any time and is subject to

- a) Rules and Regulations, further guidance from SEBI or Rules and Regulation framed by any other Statute.
- b) Consequential actions taken by the Board of Directors or the Audit Committee of the Company.