

## WHISTLE BLOWER POLICY

### **Objective**

XDIL is committed to conduct its business with highest standards of business ethics it feels is of utmost importance for the existence of any organization.

To ensure strict compliance with ethical and legal standards across the company, the Whistle blower policy has been created.

The objectives of this policy are:

- a) To create a window for any person who observes an unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy, either organizationally or individually to be able to raise it.
- b) To encourage timely, safe and open reporting of alleged wrong doings or suspected impropriety.
- c) To ensure consistent and timely institutional response.
- d) To ensure appropriate reporting of whistle blower investigation.
- e) To encourage ethical and lawful conduct.
- f) To provide adequate safeguards against victimization of persons.

### **Scope**

This policy defines and lays down the process for raising a "complaint", the safeguards in place for the person raising a complaint, the roles and responsibilities of all stakeholders and also sets the time lines for all processes to be followed. In all instances, the company retains the prerogative to determine when circumstances warrant an investigation and the appropriate investigative process to be employed, in conformity with this policy and applicable laws and regulations.

Complaints related only to unethical and improper practices will be dealt by this policy.

An illustrative list of complaints redressed by this policy is provided in Annexure - I.

### **Complaint Reporting**

Reports of allegations of suspected unethical and improper practices are encouraged to be made in writing so as to assure a clear understanding of the issues. Such reports should be factual rather than speculative and must contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures.

### **Constitution of the Whistle-Blower committee**

The whistle blower committee will consist of a Chairman and members having cross functional representation.



## Disqualification

In case of the committee reaching a conclusion that the complaint has been made with mollified intentions and is a false accusation or is an abuse of process or the complaints are repeatedly frivolous, then the committee may recommend that appropriate action be taken against the person making the disclosure including reprimand. Keeping this in consideration the company clearly understands that some disclosures may not result in any investigation or action at a later stage even though they are made in good faith. In such circumstances, no action would be initiated against the whistle-blower. It is also clarified that this process should not be used as a grievance redresses mechanism.

## Access to Chairman of the Audit Committee

The whistle blower has a direct access to the Chairman of the audit committee in appropriate or exceptional cases under this policy and the Chairman of the audit committee is authorized to prescribe suitable directions in this regard. Appropriate or exceptional cases shall be such whistle blower cases that require adequate safeguards against victimization of employees and directors.

## Procedure of Investigation

- a) All complaints received by ombudsman will be categorized in two broad categories: Complaints against CEO/COO/CFO/Corporate officers, hereinafter referred as "C" level officers / key managerial personal-The complaints against "C" level officers will be dealt by Chairman's office of the company.
- b) Complaints against others- The ombudsperson function will carry out preliminary investigation of complaints received against employees other than "C" level / key managerial personnel and based on the findings of preliminary investigation report. Whistle blower committee shall decide upon further investigation and the next steps.
- c) The involved parties shall be provided sufficient and fair opportunity to prove/justify his/her case, including individual hearing as may be required, and shall ensure complete fairness in the process of investigation.
- d) Subjects shall have a duty to cooperate with the investigator during investigation to the extent that such cooperation will not compromise self-incrimination protections available under the applicable laws.
- e) The identity of a subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- f) Subjects have a right to be informed of the outcome of the investigation.

## Documentation and Reporting



All documentation pertaining to the complaint including but not restricted to the investigation report, corrective action taken and evidence will be maintained by the committee for a period of not less than 3 years from the date of disposals of the complaint.

### **Remedies and Discipline**

If the whistle blower committee determines that an unethical and improper practice has occurred, it will take the following actions as deemed fit to correct it.

- Any person found guilty of violation of the company code of conduct will be subject to disciplinary action up to and including termination of employment.
- Appropriate procedure, policies and controls will be established in all departments to ensure early detection of similar violations.
- During the investing period or at any time thereafter, if any employee is found to be (a) retaliating against the whistle blower (b) coaching witnesses or (c) tampering with evidence, then it would lead to severe disciplinary action including termination of employment.

For the avoidance of doubt, this policy does not preclude the remedies/processes available and provided under applicable law for any unethical and improper practice.

### **Roles and Responsibility**

Audit committee of the company:

- To review and approve the whistle blower process /Frame work
- To appoint ethics officer and approve his terms of reference.
- To review and monitor cases presented before them.
- In case of repeated frivolous complaints, the audit committee may take suitable action against the concerned director or employee, including reprimand.
- If any of the members of the audit committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee should deal with the matter on hand.
- To review and monitor cases pertaining to level officers /Key managerial personal.
- To decide upon the disciplinary action against CEO/COO/CFO / Corporate officers, here in after referred as "C" level /key managerial personnel, based on final investigation report.

### **Chairman's Office of the company**

- To decide need for investigation and investigating agency on preliminary evaluation of complaint and the quality of information/ evidence provided for complaints involving "C" level officers /KMP and communicate to Chairman.



- To appoint and review performance of ombudsperson function.
- To approve members of Whistle-blower committee based on nomination of ethics officer.

### **Ethics Officer**

- To receive written complaints and forward written complaints to the ombudsman function
- To chair the meetings of the ethics committee.
- To nominate members of ethics committee.
- To review performance of the ethics committee and investigating agency.
- To monitor progress of investing and receive the investigation finding.
- To review and monitor correction action initiated to prevent / minimize recurrence of such events.
- To update the audit committee upon initiation of investigation.
- To update the audit committee on the findings of the investigation report along with process corrections for complaints pertaining to "C" level officer/KMP.
- To update the audit committee on cases investigated and action taken report every quarter pertaining to the other "C" level officers /KMP.

### **Ombudsperson Function**

- To receive complaints and provide acknowledgement to the complaint and update ethics officer on complaints received.
- To maintain tracker for complaints raised along with action taken report.
- To forward complaints received against "C" level officers /KMP to Chairman's office
- Carry out an initial investigation based on preliminary evaluation of complaint and the quality of information / evidences provided for complaints involving other than "C" level officers /KMP.
- To present update on cases investigated and action taken report to ethics officer.
- The whistle-blower provides the complaint, which is the initial information related to a reasonable belief that an unethical and improper practice has occurred. The motivation of a whistle-blower is irrelevant to the consideration of the validity of the allegation.

### **Whistle-Blower**

- The whistler-blower provides the complaint, which is the initial information related to a reasonable belief that an unethical and improper practice has occurred. The motivation of a whistle-blower is irrelevant to the consideration of the validity of the allegation.
- Whistle –blower must provide all factual corroborating evidence , as is available/possible to enable commencement of an investigation, material which demonstrates sufficient grounds for concern. However, the whistle-blower shall refrain from obtaining evidence



for which they do not have a right of access and no protection would be guaranteed to the whistle-blower for having obtained information illegally.

- The whistle-blower will not be immune from disciplinary action if he is found guilty of or is a party to the allegations.

### **Whistle blower protection**

The company will ensure to protect whistle blower against retaliation as described below:

- The company will keep the whistle blower identity confidential unless (a) the person agrees to be identified (b) identification is necessary to allow the company or law enforcement officials to investigate or respond effectively to the report (c) identification is required by law or (d) the person accused of compliance violations is entitled to the information as a matter of legal right in disciplinary proceedings.

### **Communication**

This policy as amended from time to time and is disclosed on the web site of the company.

#### **Annexure - I:**

- Illustrative list of malpractices, events and complaint
- Unethical business practices / violation of code of conduct
- Non-financial significant favour, gifts beyond the defined guidelines
- Misuse of company fund, assets, property, facilities
- Manipulating of company data/record
- Abuse of authority
- Criminal offence including information security breaches
- Theft or abuse of confidential / proprietary/ customer information,
- Breach of employee code of conduct
- Negligence causing substantial risk to public health and safety
- Any other unethical behavior.



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