

V-Guard Industries Limited
WHISTLEBLOWER POLICY

Introduction

This policy formalizes V-Guard's commitment to provide Directors and employees an avenue to raise concerns in circumstances where they believe that anyone in the organization is engaged in inappropriate practices prejudicial to the interests of organization or not in line with the policies/or culture of the organization.

1. Preface

- 1.1. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") inter alia, provides, for all listed companies to establish a mechanism called "Whistle Blower" enabling stakeholders including individual employees and their representative bodies to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
- 1.2. Section 177(9) of the Companies Act, 2013 also mandates that "every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as prescribed."
- 1.3. V- Guard Industries Ltd. believes in the conduct of its affairs in a fair and transparent manner. Directors, Officers, and employees are duty-bound to practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.
- 1.4. V-Guard as a company committed to highest standards of professionalism, honesty, integrity and ethical behavior is formulating this policy to uphold the above principles in its activities.
- 1.5. This policy provides a framework to promote responsible and secure whistle blowing. It aims to safeguard employees from reprisals or victimization for whistle blowing in good faith.
- 1.6. Nevertheless, the policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.
- 1.7. Notwithstanding anything provided in this policy, all incidence and instances of leak or suspected leak of UPSI reported by any Employee or Business Associate shall be decided and resolved in the manner as set out under the "Policy for procedure of Inquiry in case of Leak of Unpublished Price Sensitive Information (UPSI)" formulated in accordance with Regulation 9A (5) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

2. Definitions

“Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

“Employee” means every employee of the Company (including a casual/ temporary worker)

“Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence Unethical or improper activity including leak of UPSI.

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

“Whistle Blower” is someone who makes a Protected Disclosure under this Policy.

“Whistle Officer” or “Committee” means an officer or Committee of persons who is nominated/ appointed to conduct detailed investigation.

“Ombudsperson” will be a person, well respected for his/her integrity, independence and fairness. S/he would be authorized by the Board of Directors of the company for the purpose of receiving all complaints under this policy and ensuring appropriate action. Board of Directors shall have the authority to change the Ombudsperson from time to time.

“Committee of Directors” means a committee consisting of Whole-time Directors of the company charged with the responsibility of taking disciplinary/ corrective actions under the policy based on advice by the Ombudsperson.

“Audit committee” means a subcommittee constituted by the Board of Directors of the Company as required under Section 177 of the Companies Act, 2013.

“Chairperson of the Audit committee” means the Director acting as the Chairperson of the committee.

“Unpublished Price Sensitive Information” or “UPSI” means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to Financial results, Dividends, Capital Structures, mergers, demergers etc. and changes in Key Managerial personnel.

3. The Guiding Principles

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;

Treat victimization as a serious matter including initiating disciplinary action on such person/(s);

- (i) Ensure complete confidentiality.
- (ii) Not attempt to conceal evidence of the Protected Disclosure;

Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

Provide an opportunity of being heard to the persons involved especially to the Subject;

4. Policy

This Policy is for the Employees as defined hereinafter.

This policy governs reporting and investigation of allegations of suspected improper activities summarized in paragraph 5.

Employees and others are encouraged to use guidance provided by this policy for reporting all allegations of suspected improper activities.

If an employee discovers information which he/she believes shows serious malpractice, impropriety, abuse or wrong doing within the organization, then this information should be disclosed without fear of reprisal.

The Board of Directors has endorsed the provisions in this policy so as to ensure that no employee of V-Guard should feel at a disadvantage in raising legitimate concerns.

5. Coverage of Policy

This policy encourages employees to report any instance they notice regarding:

- a. Committing of a criminal offence
- b. A violation of any law
- c. Breach of a legal or regulatory requirements
- d. Illegal activities including but not limited to criminal offences
- e. Breach of a Company business policy and procedure including abuse & authority
- f. Any action likely to seriously / adversely impact the health, safety, human rights or well being of an individual or group of people.
- g. Any action likely to impact the credibility and image of the Company.
- h. Any event which will cause damage to the environment.
- i. Gross waste or misappropriation of public funds or the Company's resources
- j. Gender discrimination / victimization
- k. An abuse of authority collectively referred to herein as "alleged wrongful conduct".
- l. Bribes or kickbacks
- m. Manipulation of Company data / records
- n. Leakage of Unpublished Price Sensitive Information ("UPSI")
- o. Any other unethical, biased favored, imprudent act.

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

6. Disqualifications

While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

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 *mala fide* intention.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide* shall face disciplinary action under company's code of conduct.

7. Manner in which concerns can be raised

The employees can make protected disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same. Ombudsperson can be reached at ombudsman.vguard@gmail.com.

In exceptional cases, the Whistle blower can send a written complaint addressed to the Chairperson of Audit Committee, V-Guard Industries Ltd., 42/962, Vennala High School Road, Vennala, Ernakulam - 682028

Whistle blower must state his/ her name in allegations. Concerns expressed anonymously will not be usually investigated but subject to the seriousness of the issue raised, the Ombudsperson can initiate investigation independently.

If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.

Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.

Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.

The Ombudsperson/Whistle Officer/Committee shall:

- (i) Make a detailed written record of the Protected Disclosure. The record will include:
 - a. Facts of the matter
 - b. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c. Whether any Protected Disclosure was raised previously against the same Subject;
 - d. The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e. Findings of Ombudsperson/Whistle Officer/Committee;

- f. The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/other action/(s).
- (ii) The Whistle Officer/Committee shall finalize and submit the report to the Ombudsperson within 30 days of being nominated/appointed

On submission of report by the Whistle Officer /Committee, the Ombudsperson shall;

- i. In case the Protected Disclosure is not proved, extinguish the matter.
- ii. In case the Protected Disclosure is proved, depending upon the seriousness of the matter he may either accept the findings of the Whistle Officer /Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter or refer the matter to the Committee of Directors (Whole-time Directors) with proposed disciplinary action/counter measures.
- iii. The Committee of Directors may take such Disciplinary Action as they may think fit and take preventive measures to avoid reoccurrence of the matter or if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal.

In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.

The complainant will receive acknowledgement on receipt of the concern. Subject to legal constraints, s/he will receive information about the outcome of any investigations.

In exceptional cases, where the whistle Blower is not satisfied with the outcome of the investigation and the decision, s/he can make a direct appeal to the Chairperson of the Audit Committee.

An employee who made a protected disclosure, if is of the view that he is victimized in any way, can also prefer a direct appeal to the Chairperson of the Audit Committee

8. Protection

The identity of the Whistle Blower shall be kept confidential.

Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

No unfair treatment will be meted out to a Whistle Blower by virtue of his/her 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 Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior 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.

9. Secrecy/Confidentiality

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

10. Reporting

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

THE COMPANY SHALL ANNUALLY AFFIRM THAT IT HAS NOT DENIED ANY PERSONNEL ACCESS TO THE AUDIT COMMITTEE OF THE COMPANY IN RESPECT OF MATTERS INVOLVING ALLEGED MISCONDUCT AND THAT IT HAS PROVIDED PROTECTION TO "WHISTLE BLOWERS" FROM UNFAIR TERMINATION AND OTHER UNFAIR OR PREJUDICIAL EMPLOYMENT PRACTICES. SUCH AFFIRMATION SHALL FORM A PART OF THE BOARD REPORT ON CORPORATE GOVERNANCE THAT IS REQUIRED TO BE PREPARED AND SUBMITTED TOGETHER WITH THE ANNUAL REPORT.

11. Amendment

The Audit Committee shall from time to time review the functioning of the Whistle Blower mechanism.

The Board of Directors of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.