

WHISTLEBLOWER POLICY

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Effective date	Prepared by	Approved by	Version

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WHISTLE BLOWER POLICY

1. PURPOSE

In line with the commitment to conduct business of the Madhucon Projects Limited and its subsidiaries/affiliates (**Company**) in a fair and transparent manner and commitment to open communication, the Company has formulated this Whistle-blower Policy to provide a formal mechanism for Complainants (*defined below*) to approach the Ethics and Compliance Officer and make protected disclosures about the unethical behaviour, actual or suspected fraud or violation of the Code or the allied policies of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects directors, employees and external stakeholders wishing to raise a concern about serious irregularities within the company. The Policy requires every Complainant to promptly report to the management any actual or possible violation of the Code or the allied policies by any stakeholder of the Company, or any event that she/he becomes aware of that could have a detrimental effect on the business or reputation of the Company and provides assurance that they will be protected from any form of reprisals or victimization as a result of whistleblowing.

2. SCOPE

- 2.1 A Complainant under this Whistle-blower Policy includes individuals working at all levels and grades, including directors, senior executives, senior managers, officers, employees (current and past, whether permanent, fixed term or temporary), consultants, contractors, trainees, interns, seconded staff, representatives of the member companies, clients, vendors, suppliers, contractors, auditors, agents, and *inter alia* any third party intermediaries engaged by the Company (all of the aforesaid being collectively referred to as **Complainant**). A copy of this Policy shall be provided to the Complainants as part of their engagement with the Company (i.e., as part of agreement or purchase order or onboarding induction).
- 2.2 The whistle blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- 2.3 Whistle blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairperson of the Audit Committee. This Policy is designed to offer protection to the Complainant provided that the disclosure made/concern raised/allegations made (**Complaint**) by a Complainant is in good faith.

3. DEFINITIONS

- 3.1 **Adverse Personnel Action:** An employment-related act or decision or a failure to take appropriate action by managerial personnel which may affect the employee's employment, including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges.

- 3.2 **Alleged Wrongful Conduct:** Alleged Wrongful Conduct shall mean violation of law, infringement of Company's Code of Conduct or ethic policies, mismanagement, misappropriation of monies, actual or suspected fraud.
- 3.3 **Audit Committee** of the Company is a committee of the Board of Directors of the Company (constituted in accordance with the Listing Agreement with Stock Exchange(s) & the Companies Act, 2013 or any statutory modification(s) or amendment(s) thereto for the time being in force).
- 3.4 **Board** means the Board of Directors of the Company.
- 3.5 **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.
- 3.6 **Employee** for the limited purpose of this Policy means individuals working at all levels and grades, including senior executives, senior managers, officers, employees (current and past, whether permanent, fixed term or temporary), irrespective of their location.
- 3.7 **Ethics and Compliance officer** shall mean Mr. K. Venkateshwarelu.
- 3.8 **Good faith:** An employee shall be deemed to be communicating in 'good faith' if there is reasonable basis for raised concern and he/ she is not abusing the policy as a route for raising malicious or unfounded allegations against colleagues.
- 3.9 **Senior Management** shall mean and include any person working at a level of Deputy General Manager (DGM) or above.
- 3.10 **Subject** means a person against/ in relation to whom a compliant is made or evidence has been gathered during the course of an investigation.

4. GENERAL

- 4.1 Various stakeholders of the Company are eligible to make complaints under the Policy. These stakeholders may fall into any of the following broad categories:
- (a) Employees of the Company;
 - (b) Employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location;
 - (c) External stakeholders including *inter alia* vendors, suppliers, distributors or any other third-party business partners who have been authorized to act for or on behalf of the Company.
 - (d) Customers of the Company
- 4.2 The policy **covers malpractices and events** which have taken place/ suspected to take place involving, but not limited to:

- (a) Abuse of authority;
- (b) Fraud, collusion and coercion
- (c) Breach of contract;
- (d) Negligence causing substantial and specific danger to public health and safety;
- (e) Manipulation of company data/records;
- (f) Financial irregularities, including fraud or suspected fraud or deficiencies in internal control and check or deliberate error in preparations of financial statements or misrepresentation of financial reports;
- (g) Any unlawful act whether criminal/ civil;
- (h) Pilferage of confidential/propriety information;
- (i) Deliberate violation of law/regulation;
- (j) Wastage/misappropriation of company funds/assets;
- (k) Breach of the Company's Code of Conduct or other policy of the Company or failure to implement or comply with any approved Company policy;
- (l) Any other unethical, biased, favoured or imprudent event.

5. IMPLEMENTATION

5.1 The Audit Committee shall implement proper procedures for compliance with the provisions of this Whistle-blower Policy. All Complaints under this Policy shall be raised by the Complainant to the Ethics and Compliance Officer in any or all of the following manners:

- (a) in a sealed envelope through registered post or speed post or courier; or
- (b) By emailing the Complaints to the Ethics and Compliance Officer at coco@madhucon.com.

For any concerns against the Ethics and Compliance Officer ~~or in which the Ethics and Compliance Officer may have a conflict of interest~~, the Complaint shall be shared with the Audit Committee or any of its members ~~in the aforesaid manner~~. Any ~~member of the Audit Committee, individual~~ who is conflicted in ~~such~~ Complaint shall not be a part of the ~~any~~ investigation being undertaken in relation to such Complaint.

The contact details of the Ethics and Compliance Officer are as under:

Mr. K. Venkateshwarelu: coco@madhucon.com

Phone Number – [Madhucon to add]

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The contact details of the Audit Committee and its members are as under:

Mr. Ramadas Kasarneni;

Mr. Potla Madhava Rao; and
Ms. Ch. Lakshmi Kumari

Mailing Address – [Madhucon to add]

- 5.2 On receipt of the complaint, the Ethics and Compliance Officer shall acknowledge the same, in writing, within 7 working days. However, concerns expressed anonymously will also ~~be ordinarily entertained and will~~ be appropriately investigated; anonymous Complainants are encouraged at least to provide a means to be contacted, such as an anonymous e-mail address.
- 5.3 On the review of the Complaint, the Ethics and Compliance Officer may form a team, comprising of internal employees or an independent external agency to conduct the investigation within a period of 10 days from the receipt of the complaint.
- 5.4 Any investigation initiated in respect of the Complaint, including any investigation undertaken by an independent external agency shall be completed within 60 days of the receipt of the Complaint. Reasons for any delay beyond 60 days shall be set out in the investigation report.
- 5.5 Subjects will normally be informed, in writing, of the allegations at the outset of a formal investigation.
- 5.6 The investigation report shall be circulated by the Ethics and Compliance Officer to the Audit Committee, who shall maintain strict confidentiality regarding the details of such report.
- 5.7 It shall be the Ethics and Compliance Officer's responsibility to maintain a detailed documentation of the entire investigation and the recommendations thereof.
- 5.8 During the investigations, the Ethics and Compliance Officer may call for further information or particulars from the Complainant or Subject or any other person.
- 5.9 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in the investigation report.
- 5.10 The Company assures that there will be no retaliatory action against any Complainant who has reported any incident of non-compliance in good faith, using any appropriate channel of communication as provided for in this Policy; including where the complaint was made in good faith, but no misconduct was confirmed on subsequent investigation.
- 5.11 The Audit Committee shall take effective steps and recommend the appropriate course of action against the person against whom the Complaint was made; such as prescribing corrective actions, recommending appropriate disciplinary action – including suspension and termination of service. All disciplinary action recommended will be in accordance with applicable laws.
- 5.12 Depending on the Complaint and the relevant findings, the Ethics and Compliance Officer and the Audit Committee may also recommend and advise if the violation is potentially criminal in nature and whether it needs to be notified to the authorities (in accordance with the provisions of applicable law).
- 5.13 All internal investigations shall follow principles of natural justice and shall ensure that the Complainant is provided with an opportunity to make his/her case before the investigation team.

Commented [Trilegal1]: Note to draft: As per ICO comments, the Company should provide alternate reporting mechanisms for persons who may be less comfortable with e-mail. Therefore, phone numbers of persons in compliance function as required as well as address/locations of physical drop boxes in relevant Company locations that are checked regularly by members of the compliance function needs to be added.

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5.14 In exceptional cases, where the Whistle-blower is not satisfied with the outcome of the investigation, he/ she may make a direct appeal to the chairperson of the Audit Committee, who is Ms. Ch. Lakshmi Kumari

- (a) The contact details of the chairperson of the Audit Committee are as under:

Ms. Ch. Lakshmi Kumari: Auditcommittee@madhucon.com

Phone Number – [Madhucon to add]

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6. RESPONSIBILITIES OF THE COMPANY:

The Company shall make every effort to ensure that:

- (a) The concern/ issue raised by the Complainant shall be acted upon seriously;
- (b) There is no retaliation against the Complainant, and he/she is not victimized;
- (c) Complete confidentiality is maintained;
- (d) No attempt to conceal/ destroy the evidence is made;
- (e) An opportunity of being heard is provided to all the persons involved – especially to the Subject;
- (f) Disciplinary Action is implemented as recommended by the Ethics and Compliance Officer/Audit Committee/Chairperson of the Audit Committee in compliance with the Disciplinary Policy of the Company.

7. CONFIDENTIALITY

7.1 The Company respects the privacy of all Complainants. Accordingly, the Ethics and Compliance Officer/Audit Committee/Audit Committee shall treat all Complaints in a confidential and sensitive manner. In specific cases where the criticality and necessity of disclosing the identity of the Complainant is important as per the laws, it may be disclosed, on a 'need-to-know' basis.

7.2 While the Company prefers that all complaints are raised by Complainant under their name, ~~the Company will in certain cases, the Company may accept and~~ investigate anonymous complaints as well ~~to the extent appropriate in each case.~~

8. SPECIFIC COMPLAINTS

The following types of Complaints will be dealt as follows:

- (a) Issue raised, relating to service matters or personal grievance (such as increment, promotion, appraisal etc) – such complaints to be forwarded by the Ethics and Compliance Officer to the respective HR Manager.
- (b) Issue in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redress) Act, 2013 – such complaints to be forwarded by the Ethics and Compliance Officer to the Internal Complaints Committee.

9. TRAINING & AWARENESS

The Ethics and Compliance officer shall ensure that:

- (a) All employees, working at all levels and grades, including senior executives, senior managers, officers, employees (irrespective of the location) as well as third party intermediaries engaged by the Company are made aware of the provisions of this policy.
- (b) Regular trainings and awareness generating activities are conducted at least on an annual basis.

10. RETENTION OF DOCUMENTS

All Complaints along with the results of the investigation consequent thereto, shall be retained for a period as specified in the Document Retention Policy or such other period as specified by any other law in force, whichever is higher.