



MADHAV INFRA PROJECTS LIMITED

VIGIL MECHANISM / WHISTLE BLOWER POLICY

(Effective from 01st December, 2015)

1) Preface

- i. The Company has adopted the Code of Ethics & Business Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees.
- ii. The Company is committed to developing a culture where it is safe for all employees to raise concern and if any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company.
- iii. Section 177 read with Rule 7 of the Companies (Meetings of Board and its Powers), 2014 and revised Clause 49 of the Listing Agreement and has been updated in accordance with Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the LODR Regulations”) and the SEBI Notification No. SEBI/LAD-NRO/GN/2015-16/013 dated September 2, 2015, inter-alia, provides, a mandatory requirement, for all listed companies to establish a mechanism called “Vigil Mechanism (Whistle Blower Policy)” for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy.
- iv. Accordingly, this Whistle blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

2) Policy

- i. This Policy is for the Directors and the Employees as defined hereinafter.
- ii. The Policy has been drawn up so that the Directors and Employees can be confident about raising a concern. The policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company.

3) Objective

The Company is believes to observe to the highest standards of moral, ethical and conduct of business operations for that, the Company encourages its employees who have concerns about suspected misconduct to come forward and express those concerns without any panic of punishment or unfair treatment.

4) Definitions



- i. **“Disciplinary Action”** means any action that can be taken on the completion of /during the investigation proceedings including but not limited 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.
- ii. **“Director”** means a Director on the board of the Company whether whole-time or otherwise.
- iii. **“Employee”** means every employee of the Company (whether working in India or abroad)
- iv. **“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.
- v. **“Code”** means the Madhav Infra Projects Limited’s Code of Conduct.
- vi. **“Subject”** means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- vii. **“Whistle blower”** is someone who makes a Protected Disclosure under this Policy.
- viii. **“Whistle Officer”** or **“Committee”** means an officer or Committee of persons who is nominated/appointed to conduct detailed investigation.
- ix. **“Investigators”** or **“Ombudsperson”** will be the chairman of the Audit Committee for the purpose of receiving all complaints under this Policy and ensuring appropriate action.

5) Scope

- i. This Policy is an extension of the Madhav Infra Projects Limited’s Code of Conduct. 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.
- ii. 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 Ethics Counsellor or the Chairman of the Audit Committee or the Investigators.
- iii. Protected Disclosure will be appropriately dealt with by the Ethics Counsellor or the Chairman of the Audit Committee, as the case may be.

6) Coverage of Policy

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- i. Abuse of authority
- ii. Breach of contract
- iii. Negligence causing substantial and specific danger to public health and safety
- iv. Manipulation of company data/records
- v. Financial irregularities, including fraud, or suspected fraud
- vi. Criminal offence



- vii. Pilferation of confidential/propriety information
- viii. Deliberate violation of law/regulation
- ix. Wastage/misappropriation of company funds/assets
- x. Breach of employee Code of Conduct/Ethics Policy or Rules
- xi. Any other unethical, biased, favoured, imprudent event

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

7) Disqualifications

- i. 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.
- ii. 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.
- iii. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.

8) Procedure

- i. Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.
- ii. Whistle Blower must put his/her name to allegations. Concerns expressed anonymously will not be investigated.
- iii. 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.
- iv. 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.
- v. Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee unless required for the purpose of investigation.
- vi. 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 finalise and submit the report to the Ombudsperson within 15 days of being nominated/appointed, unless more time is required under exceptional circumstances.
- vii. On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:
- i). In case the Protected Disclosure is proved, 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;
 - ii). In case the Protected Disclosure is not proved, extinguish the matter; OR
 - iii). Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Committee of Directors (Whole-time Directors) with proposed disciplinary action/counter measures. The Committee of Directors, 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.
- viii. 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 Chairman of the Audit Committee.

9) Protection

- i. 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 Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, 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. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the



Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

- ii. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- iii. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- iv. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

10) Accountabilities

The Whistle Blower, the Subject, the Whistle Officer and any person/officer involved in the process shall:

- i. Conduct the enquiry in a fair, unbiased manner
- ii. Ensure complete fact-finding
- iii. Maintain strict confidentiality
- iv. Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom
- v. Recommend an appropriate course of action – suggested disciplinary action, including dismissal, and preventive measures
- vi. Record Committee deliberations and document the final report

11) Decision

If an investigation leads the Ethics Counsellor / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Ethics Counsellor / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Ethics Counsellor / Chairman of the Audit Committee may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

12) Reporting

The Ethics Counsellor shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

13) Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

Amit Khurana
Chairman and Managing Director