



**WHISTLE BLOWER POLICY**

**OF**

**VARINDERA CONSTRUCTIONS LIMITED**



**VARINDERA CONSTRUCTIONS**



<b>Policy No.</b>	VCL / HR / Policy / 32 /2024
<b>WHISTLE BLOWER POLICY</b>	

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**Document Change Control**

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V1			



1. **Objective** - The Whistleblower Policy lays down guidelines for reporting of Protected Disclosures, by employees, directors, and other stakeholders, relating to violation of Varindera Constructions Ltd.'s Code of Conduct.
2. **Scope** - All employees, directors, and stakeholders of the Company and all its subsidiaries are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or any of its subsidiaries and group companies.

This Policy is an extension of the VCL Code of Conduct. The Whistleblower'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 each case.

Whistleblowers 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 or any person appointed by the VCL board.

Protected Disclosure will be appropriately dealt with by the Chairperson of the Audit Committee or any person appointed by the VCL board.

### 3. Preface

- a. Management of Varindera Constructions Ltd. (VCL or Company) believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity, and ethical behavior. Towards this end, the Company has adopted the VCL Code of Conduct as prevalent and updated from time to time, which lays down the principles and standards that should govern the actions of the Company, its stakeholders, and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees, directors, and stakeholders in pointing out such violations of the Code cannot be undermined.
- b. Accordingly, this Whistleblower Policy ("the Policy") has been formulated with a view to provide a mechanism for directors, employees as well as other stakeholders of the Company to approach the Chairperson of the Audit Committee of the Company or any person appointed by the VCL board.
- c. The Audit Committee shall review the functioning of the Whistleblower mechanism, at least once in a financial year.
- d. The Whistleblower Policy will be displayed on the website of the Company.



#### 4. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

- a. "Audit Committee" means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act and read with Regulation 18 of Listing Regulations.
- b. "Employee" means every employee of the Company (whether working in India or abroad), including contractual employees and the directors in the employment of the Company.
- c. "Code" means the VCL Code of Conduct.
- d. "Director" means every Director of the Company.
- e. "Investigators" means those persons authorized, appointed, consulted, or approached by the Chairperson of the Audit Committee for investigation of any protected disclosure made under this policy.
- f. "Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence Unethical/ Improper Practice. Protected Disclosures should be factual and not speculative in nature.
- g. "Unethical/Improper Practice" includes:
  - Any actual or potential violation of the legal & regulatory requirements whether Criminal/Civil,
  - Any claim of theft or fraud,
  - Abuse of authority,
  - Breach of contract/trust, pilferation of confidential/propriety information,
  - Negligence causing substantial and specific danger to public health and safety,
  - Manipulation/ theft of the Company data/records,
  - 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;
  - Wastage/misappropriation of the Company funds/assets, embezzlement,
  - Breach of Company Policy or failure to implement or comply with any approved Company Policy/ies,
  - Bribery or corruption,
  - Retaliation,
  - Breach of IT security and data privacy,
  - Social media misuse,
  - Breach of Company Policy or failure to implement or comply with any approved Company Policy,



- Any claim of retaliation for providing information to or otherwise assisting the Nominated Person
- Any other action or inaction that could have significant impact on the operations, performance, value and the reputation of the Company.

The following nature of complaints shall not be covered by this Policy:

- i. Complaints that are frivolous in nature,
  - ii. Issues relating to personal grievance (increment, promotion, etc.); and
  - iii. Sexual harassment as it is covered by Anti Sexual Harassment Policy. If the Internal Complaint Committee receives a sexual harassment complaint, it should be forwarded to Sexual Harassment Committee set up for this purpose on the basis of the “Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
  - iv. If such complaints are received, they shall be forwarded to respective stakeholders for action on the same.
- h. “Good Faith” An employee shall be deemed to be communicating in “good faith” if there is a reasonable basis for communication of unethical and Improper Practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge on a factual basis.
- i. “Stakeholders” means and includes value-chain partners like suppliers, service providers, sales representatives, contractors, channel partners (including dealers), consultants, intermediaries like distributors and agents, joint venture partners; and lenders, customers, business associates, trainee, and others with whom the Company has any financial or commercial dealings.
- j. “Subject” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during an investigation.
- k. “Whistleblower” means an employee or director or any stakeholder making a Protected Disclosure under this Policy.

## 5. Eligibility

All employees, directors, and stakeholders of the Company and all its subsidiaries and group companies are eligible to make Protected Disclosures under the Policy. The Protected Disclosure may be in relation to matters concerning the Company or any subsidiaries of the company.

## 6. Disqualifications

- a. While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention. In respect of such Whistleblowers, the Chairperson of the Audit Committee would reserve its right to take/recommend appropriate disciplinary action.



## 7. Coverage of the vigil mechanism

All the stakeholders including but not limited to employees, directors, vendors, Vendor, Partner and consultants, auditors and advocates who are associated with company can raise their concerns regarding malpractices and events which may negatively impact the company.

- a) Accounting, Auditing and Internal Financial Matters
- b) Conflict of Interest
- c) Disclosure of Confidential Information
- d) Discrimination or Harassment
- e) Embezzlement
- f) Falsification of Contracts, Reports or Records
- g) Gifts and Entertainment
- h) Improper Supplier or Contractor Activity
- i) Theft
- j) Time Abuse
- k) Violation of Policy
- l) Other

## 8. Channels for making Protected Disclosures

Following channel is available for making Protected Disclosures:

- Email ID -[vcethicshelpline@vclgroup.in](mailto:vcethicshelpline@vclgroup.in). The Email ID is accessible globally.

## 9. Guidance to reporting:

- a. All Protected Disclosures concerning financial/accounting matters should preferably be addressed to the Chairperson of the Audit Committee of the Company for investigation.
- b. Similarly, all Protected Disclosures relating to Ethics Counsellors or employees at the levels of Vice Presidents and above, should preferably be addressed to the Chairperson of the Audit Committee of the Company.
- c. In case a Whistleblower is not satisfied with the action taken on the protected disclosure submitted, then he/she may write to the Chairperson of the Audit Committee with details of his/her Protected Disclosure and reason for dissatisfaction. The Chairperson of the Audit Committee will take appropriate steps after consultation with the other members of the Audit Committee. The decision of the Audit Committee shall be final for such cases.
- d. In case of reporting to Chairperson of the Audit Committee, Protected Disclosures should preferably be made in writing to facilitate clear understanding of the issues raised. It may either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower. It should be forwarded under a covering letter which shall bear the identity of the Whistleblower. The Chairperson of the Audit Committee as the case may shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation. While anonymous disclosures will also be entertained, it may not be possible to have further communication with the Whistleblowers.
- e. If a Protected Disclosure is received by any executive of the Company other than Chairperson of the Audit Committee, the same should be forwarded to the Chairperson of the Audit Committee for further action. Appropriate care must be taken to keep the identity of the Whistleblower and the content of Protected Disclosure confidential.
- f. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as specific information as possible (names of individuals, names of entities, date



of incident, place of incident, document reference numbers like invoice number, PO number, etc.) to allow for proper assessment of the nature and extent of the concern.

## 10. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairperson of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she will be recused, and the other members of the Audit Committee will deal with the matter on hand.
- b. The Chairperson of the Audit Committee may at his/her discretion, consider involving any Investigators for the purpose of investigation. Certain procedures may be carried out by external experts, if required.
- c. The decision to conduct an investigation taken by the Chairperson of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower.
- d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation. Subjects will normally be informed of the allegations of a formal investigation and have opportunities for providing their inputs during the investigation. Subjects shall have a duty to co-operate with the Chairperson of the Audit during investigation to the extent that such cooperation will not compromise self-incrimination protections available under the applicable laws.
- e. Subjects have a right to consult with a person or persons of their choice, other than the members of the Audit Committee and the Whistleblower.
- f. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with, and witnesses shall not be influenced, coached, threatened, or intimidated by the Subjects.
- g. Unless there are compelling reasons not to do so, Subjects will be informed of the investigation and will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is reasonable evidence in support of the allegation.
- h. Subjects have a right to be informed of the outcome of the investigation if allegations are not sustained.
- i. Depending on the prevailing circumstances, availability of data and other factors relevant to the Protected Disclosure made, attempt will be made to complete the investigation within 52 working days of the receipt of concern (45 working days for completion of investigation and 7 working days for completion of consequential action).

## 11. Protection

- a. No unfair treatment will be meted out to a Whistleblower by virtue of him/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 Whistleblowers. Complete protection will, therefore, be given to Whistleblowers 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 Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give



evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to receive advice about the procedure, etc.

- b. A Whistleblower may report any violation of the above clause to the Chairperson of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- c. Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

## **12. Investigators**

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review which establishes that:
  - the alleged act constitutes an improper or unethical activity or conduct, and
  - either the allegation is supported by information specific enough to be investigated or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

## **13. Decision**

If an investigation leads the Chairperson of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairperson of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action, as deems fit.

## **14. Reporting**

- a. The chairperson of the Audit Committee shall report to the management on a regular basis about all Protected Disclosures received since the last report together with the results of investigations, if any.
- b. The details of the establishment of vigil mechanism, Whistleblower policy and affirmation that no personnel has been denied access to the Audit Committee will be stated in the section on Corporate Governance of the Annual Report of the Company.

## **15. Retention of documents**

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

## **16. Amendment**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the directors, employees, and stakeholders unless the same is notified to the directors and employees in writing and displayed on the website in case of stakeholders.