
**WHISTLE BLOWER
&
VIGIL MECHANISM
POLICY**

SIMMONDS MARSHALL LIMITED
Apeejay Chambers
5, Wallace Street,
Mumbai – 400 001

1. PREAMBLE

- i. The Companies Act, 2013 mandates every listed company and such other class of companies, as may be prescribed, to establish a vigil mechanism for Directors and Employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Personnel (“the Code”), which lays down the principles and standards that should govern the actions of the Company, its directors and employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company.
- ii. The amended Clause 49 of the Listing Agreement with Stock Exchanges also, inter alia, contains similar requirement for establishment of a Vigil Mechanism termed ‘Whistle Blower Policy’ for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy.
- iii. The Vigil Mechanism/Whistle Blower Policy also needs to provide for adequate safeguards against victimisation of director(s)/employee(s) who avail of the Vigil Mechanism
- iv. Considering the applicability of Section 177(g) of the Companies Act, 2013 and also Clause 49 of the Listing Agreement with Stock Exchanges, the Company has formulated this Vigil Mechanism/Whistle Blower Policy in compliance thereto.

2. DEFINITIONS

- i. **“Alleged wrongful conduct”** shall mean violation of applicable laws to the Company, Infringement of Company’s rules, misappropriation of monies, substantial and specific danger to public health and safety non-adherence to the Code or abuse of authority.
- ii. **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance with the provisions of the Listing Agreement and the Companies Act, 2013.

- iii. **“Board”** means the Board of Directors of the Company.
- iv. **“Code”** means The Code of Conduct for Directors and Senior Management Personnel adopted by the Company
- v. **“Director”** means a director appointed to the Board of the Company.
- vi. **“Employee”** means every employee of the Company including the directors in the employment of the Company.
- vii. **“Protected Disclosure”** means a concern raised by an employee /director or group of employees /directors of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity falling under the title **“COVERAGE OF THE POLICY”** or Alleged wrongful conduct with respect to the Company.
- viii. **“Subject”** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- ix. **“Vigilance Officer”** means an officer appointed to receive protected disclosures from Whistle Blower, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- x. **“Whistle Blower”** is an employee /director or group of employees/director(s) who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

3. POLICY OBJECTIVES

- i. The Company is committed to developing a culture where it is safe for all directors / employees to raise concerns about any unacceptable practice and any event of misconduct.
- ii. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its Directors / employees who have concerns about

suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

- iii. The Vigil (Whistle Blower) Mechanism provides a channel to the employees and directors to report concerns about unethical behavior, actual or suspected fraud or violation of the Code or Policy. The mechanism provides for adequate safeguards against victimization of employees and Directors who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.
- iv. The mechanism/policy neither releases employees and directors from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation or with a mala fide intent.

4. 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:

- i. Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- ii. Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- iii. Ensure complete confidentiality;
- iv. Not attempt to conceal evidence of the Protected Disclosure;
- v. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made; and
- vi. Provide an opportunity of being heard to the persons involved especially to the Subject.

5. COVERAGE OF POLICY

The Policy should not be used as a route for raising malicious or unfounded allegations against colleagues. It should covers malpractices and events which have taken place/suspected to take place involving:

- i. Alleged wrongful conduct;
- ii. Abuse of authority;
- iii. Breach of contract;
- iv. Negligence causing substantial and specific danger to public health and safety;
- v. Manipulation of company data/records;
- vi. Financial irregularities, including fraud, or suspected fraud;
- vii. Criminal offence;
- viii. Pilferation of confidential/propriety information;
- ix. Deliberate violation of law/regulation including Insider Trading;
- x. Misuse/misappropriation of Company's funds /assets;
- xi. Breach of Company's Code of Conduct or Rules; and
- xii. Any other unethical, biased, favored, imprudent event.

6. 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, frivolous or malicious shall be liable for disciplinary action under the Company's Code of Conduct besides being disqualified from reporting further Protected Disclosures. In case of repeated frivolous complaints being filed by a Whistle Blower, the Audit Committee may take suitable action against such person including reprimand.

7. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

- i. Whistle Blowers can make Protected Disclosure to The Vigilance Officer as soon as possible but not later than 30 consecutive days after becoming aware of the same. The Protected Disclosure should be factual and neither speculative nor in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- ii. All Protected Disclosures against Employees (except Vigilance Officer) should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in appropriate or exceptional cases.
- iii. Protected Disclosure against the Vigilance Officer and any of the Directors of the Company should be addressed to the Chairman of the Audit Committee.
- iv. Whistle Blower must put his/her name to Protected Disclosure. Anonymous/Pseudonymous Protected Disclosures shall not be entertained by the Vigilance Officer.
- v. If preliminary enquiries by The Vigilance Officer indicate that the concern has no basis, or it is not a matter to be further investigated or pursued under this Policy, it may be dismissed at this stage and the decision will be documented.
- vi. Where preliminary enquiries indicate that further investigation is necessary, this will be carried through either by the Vigilance Officer or by such other person as may be authorised or appointed by the Vigilance Officer. 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 will be made.
- vii. Name of the Whistle Blower shall not be disclosed by the Vigilance Officer unless otherwise required under any law or regulation or by a competent court of law.
- viii. The Vigilance Officer shall make a detailed written record of the Protected Disclosure. The record will, inter alia, 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 the Vigilance Officer /investigation person; and
 - f) The recommendations of the Vigilance Officer on disciplinary/other action(s).
- ix. The Vigilance Officer shall finalise and submit the report to the Audit Committee, within 30 days.
- x. On submission of report, the Audit Committee shall discuss the matter with the Vigilance Officer who shall either:
- a) In case the Protected Disclosure is proved, accept the findings of the Vigilance Officer and take such disciplinary action as he may think fit and take preventive measures to avoid reoccurrence of the Alleged wrongful conduct;
 - b) Depending upon the seriousness of the matter, the Audit Committee may refer the matter to the Board of Directors with proposed disciplinary action/counter measures. The Board of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal.
 - c) In case the Protected Disclosure is not proved, extinguish the matter;

8. OTHERS

- i. The Whistle Blower, the Subject, the Vigilance Officer and everyone involved in the process shall maintain complete and strict confidentiality/ secrecy of the matter

- ii. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under the applicable laws.
- iii. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower
- iv. The Board reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever