

**WHISTLE BLOWER VIGIL
MECHANISM POLICY
CENLUB INDUSTRIES LIMITED**

REGD OFFICE: PLOT NO-233-234,
SECTOR-58, BALLABGARH,
FARIDABAD-121004
HARYANA

CIN: L67120HR1992PLC035087

1. Preface:

- 1.1. The company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.
- 1.2. Section 177 (9) of the Companies Act, 2013 mandates the following classes of companies to constitute a vigil mechanism-

- Every listed company ;
- Every other company which accepts deposits from the public;
- Every company which has borrowed money from bank and public financial institution in excess of Rs. 50 crores.

Further, clause 49 of the listing agreement between listed companies and the Stock Exchange has been recently amended which, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called the 'Whistleblower Policy' for directors and employees to report concern of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy . Clause 49 of the listing Agreement between Company and the Stock Exchanges and Guidelines on Corporate Governance, provides to establish a mechanism called " Whistle Blower/ Vigil Mechanism Policy" for directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.

- 1.3. The purpose of this policy is to courage its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provide for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman / MD/ Chairman of the Audit Committee in exceptional cases
- 1.4. This neither releases employees 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 against people in authority and / or colleagues in general.

2. 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.

- 2.1. **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the India Stock Exchange, as may be applicable.
- 2.2. **“Employee”** means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.
- 2.3. **“Code”** means the CIL Code of Conduct.
- 2.4. **“Investigators”** means those persons authorised, appointed, consulted or approached by the Ethics Counsellor /Chairman of the Audit Committee and includes the auditors of the Company and the police.
- 2.5. **“Protected Disclosure”** means any communication in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 2.6. **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- 2.7. **“Whistleblower”** means an employee or director making a Protected Disclosure under Policy.

3. Guidelines:-

- 3.1. Protected disclosures shall be acted upon in a time bound manner.
- 3.2. Complete confidentiality of the Whistle Blower will be maintained
- 3.3. The Whistle Blower and/or person(s) processing the protected Disclosure will not be subjected to victimization.
- 3.4. The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.
- 3.5. The Whistle Blower shall co-operate with **Vigilance and Ethics Officer**, maintaining full confidentiality.

4. Eligibility :-

All Employees, including directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company .

5. Disqualification:-

- 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.
- c. Whistleblowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

Protection

- a. The identity of the Whistle Blower shall be kept confidential.
- b. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.
- c. 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.

6. Whistle Blower- Role & Procedure

6.1. ROLE:-

- a. The Whistle Blower's role is that of a reporting party with reliable information.
- b. The Whistle Blower is not required or expected to conduct any investigations on his own.
- c. The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he/she shall not have a right to participate.
- d. Protected Disclosure will be appropriately dealt with by the Competent Authority
- e. The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

6.2. PROCEDURES-Essential and Handling Procedure Disclosure.

- a. The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the Whistle blower/complaint i.e. his/her Name, Employee Code and Location and should be inserted in an envelope which should be closed/secured/sealed. The envelope thus secured/sealed should be addressed to the Competent Authority and should be subscribed "Protected Disclosure" (if the envelope is not subscribed and closed/sealed/secured, it will not be possible to provide protection to the whistle blower as specified under this policy).
- b. If the Whistle Blower Believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, he/she may send his/her protected disclosure directly to the Chairman the Audit Committee of the Company.
- c. Anonymous or pseudonymous protected Disclosure shall not be entertained.
- d. Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of the employment of the Whistle blower, should provide a clear understanding of the improper activity involved or issue/concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- e. All protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases. The contact detail of the Vigilance and Ethics Officer is a under:--

Name & Address-Sh.V.K.Gupta

Email-cenlub@cenlub.in

- f. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Audit Committee.
- g. The contact detail of the Chairman of the Audit Committee is as under:

Name & Address of the -
Chairman of the Audit Committee Dinesh Kaushal
Email- cenlub@cenlub.in

7. INVESTIGATION

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Counsellor / Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should refuse himself/herself and the other members of the Audit Committee should deal with the matter on hand.

The Ethics Counsellor / chairman of the Audit Committee may at its discretion, consider involving any investigators for the purpose of investigation.

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 at the outset of a formal investigation and subject 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 good evidence in support of the allegation.

Subject shall have a duty to co-operate with the Ethics Counsellor / Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

Subjects have 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.

Subjects have a right to be informed of the outcomes of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

The investigation shall be completed normally within a specified time frame.

8. DECISION AND REPORTING:

- 8.1.** If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the finding of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedure.
- 8.2.** The Vigilance and Ethics Officer 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 result of investigation, if any.
- 8.3.** In case the Subject is the Chairman/MD of the Company the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4.** If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5.** A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. 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.

10. NOTIFICATION

All departmental heads are required to notify & communicate the existence and contents to this policy to the employees of their department. The Whistle Blower policy shall be prominently displayed on all Notice Board of the Company, this policy, including amendments thereof shall be made available on Company's website and Board Report of the Company.

11. ANNUAL AFFIRMATION

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.