

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

- a. Shiva Cement Limited 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.
- b. This Whistle Blower Policy and Vigil Mechanism (“the Policy”) has been framed with a view to provide a mechanism inter alia enabling stakeholders, including Directors, individual employees of the Company and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievance as also to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company’s code of conduct or ethics policy.

1. Definitions:

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

- a. **“Audit Committee”** means the Audit Committee constituted by the Board of Directors.
- b. **“Code”** means the ‘Code of Conduct for Board Members and Senior Management Executives’ of the Company.
- c. **“Director(s)”** means a Director as defined under the Companies Act, 2013.
- d. **“Employee(s)”** means every employee of the Company (whether working in India or abroad and whether temporary or permanent).
- e. **“Ethics Counselor”** means Chief Financial Officer of the Company who will have primary authority and responsibility for the enforcement of this Policy and to investigate or oversee investigations of the Protected Disclosures or any matter in connection therewith, as per directions, if any, by the Audit Committee.
- f. **“Investigators”** means those persons / firms / bodies authorized, appointed, consulted or approached by the Ethics Counselor / Audit Committee and include the auditors of the Company and the Police.
- g. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical behavior, actual or suspected, fraud or violation of the Code or any other unethical or improper activity including misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements.
- h. **“Stakeholders”** means stakeholders as may be defined under the provisions of the Companies Act, 2013 and/or the SEBI (LODR) Regulations, 2015 and includes Directors, employees and their representative bodies, shareholders, debenture holders, deposit holders and any other security holders.
- i. **“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.
- j. **“Whistle Blower”** means a Stakeholder making a Protected Disclosure under this Policy.

2. Scope:

- a. This Policy is an extension of the Code.
- b. The Whistle Blowers' role is that of a reporting party with reliable information. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.
- c. Protected Disclosure under para 4 (a) will be dealt with by Chairman of Audit Committee constituted by the Board and under para 4(b) will be dealt with by the Ethics Counselor under instructions/ guidance of the Chairman of the Audit Committee of the Board.
- d. Exclusions: Issues arising out of Company's policy with regard to performance bonus, promotions, increment, leave sanctions and transfers will not be dealt with under this Policy.

3. Eligibility

All Stakeholders of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures shall be in relation to matter concerning the Company. All stakeholders are free to communicate their concerns about illegal or unethical practices.

4. Procedure

- i. All Protected Disclosures concerning financial, accounting, internal controls and auditing issues and those concerning the Ethics Counselor himself, should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- ii. All other Protected Disclosures concerning code violations, except those specified at para 4(i) above, should be sent / addressed to the Ethics Counselor of the Company.
- iii. The contact details of the Ethics Counsellor of the Company are as under:
Ethics Counsellor of the Company
Mr. Girish Menon
Shiva Cement Limited
Rourkela, Odisha
- iv. Protected Disclosures, which shall bear the identity of the Whistle Blower, should be reported in writing (in sealed envelopes / emails marked as 'confidential-WB') so as to ensure a clear understanding of the issues raised. It should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower. Anonymous disclosures will not be entertained. Written Complaints duly received should be acknowledged.
- v. Protected Disclosure should be factual and not speculative or 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 and the urgency of a preliminary investigative procedure.

5. Investigation

- a. All protected Disclosure reported under this policy will be investigated by the Ethics Counselor / Audit Committee of the Company in accordance with the normal procedure. The Ethics Counselor / Audit Committee may at its discretion engage Investigators (any person / firm / body) to investigate / assist itself or the Ethics Counselor in investigation, with expenses therefor being borne by the Company.

- b. Investigations as above will be launched only after the Ethics Counselor/Chairman of the Audit Committee is satisfied Prima facie and a preliminary review by them indicates that:
 - i. the alleged act constitutes unethical behaviour, actual or suspected fraud or violation of the Code or any other unethical or improper activity or conduct which are detrimental to the interests of the Company, and
 - ii. the allegation is supported by information specific enough to be investigated.
- c. The decision to conduct an investigation taken by the Audit Committee / Ethics Counselor is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- d. The identity of a Subject will be kept confidential to the extent possible subject to the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations and shall be given reasonable opportunity of being heard and for providing their inputs during the investigation.
- 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. If the subject is found indulging in any such actions, they will make themselves liable for disciplinary actions. Under no circumstances, subjects should compel investigator to disclose the identity of the Whistle Blower.
- g. Subjects have a right to be informed of the outcome of the investigation.
- h. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure unless in exceptional case/s, extension is granted by the Chairman of the Audit Committee.

6. Protection

- a. 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 or any action which affects them negatively and complete protection will be given to Whistle Blowers.
- b. The Whistle Blower shall have right to approach the Chairman of Audit Committee for relief in case he/ she observes that he/ she is subjected to any unfair treatment / victimization as aforesaid as a result of his Protected Disclosure. In such cases, the Chairman of Audit Committee may, after hearing him/her, may order investigation and provide appropriate relief to the Whistle Blower as deemed fit. The identity of the Whistle Blower shall be confidential to the extent possible and permitted under law.
- c. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- d. While management is determined to give appropriate protection to the genuine Whistle Blower, the stakeholders at the same time are advised to refrain from using this for furthering their own vested interest.

7. Decision

If an investigation leads the Ethics Counselor / Audit Committee to conclude unethical behavior, actual or suspected fraud or violation of the Code or any other unethical or improper activity or act has been committed, the Audit Committee shall recommend to the Board of Directors of the Company to take action as per service rules.

8. Reporting

The Ethics Counselor shall submit a report to the Audit Committee expeditiously about all Protected Disclosures referred to him/her together with the results of investigations, actions recommended, if any and implementation of the same. The Chairman of Audit Committee shall report any issues raised before him, under this Policy, to the Board of Directors after the investigation is completed and the report is submitted to the Audit Committee along with the recommendations. Above Reports shall be reviewed and recorded by the Audit Committee.

9. 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.

10. Dissemination

The details of establishment of such mechanism shall be disclosed on the Company's website and in the Board's report.

11. Disqualification

While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of victimization or unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.