

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Effective from	Version	Last reviewed on:	Next review due date:
November 1, 2015	1.0	New Procedure	March 31, 2016
Ownership	Reviewed by	Approved by	
	Audit committee (CLP India group entities)[Designated Director	Board of Directors (CLP India group entities)	

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1. Purpose

The purpose of this document is to outline the Vigil mechanism / whistle blower policy for CLP India group entities (referred to as “CLP India”).

2. Preamble

2.1 Section 177 (9) The Companies Act, 2013 and rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 mandates following classes of companies to constitute a Vigil Mechanism for directors and employees to report genuine concerns in such manner as may be prescribed:

- a) every listed company;
- b) the Companies which accept deposits from the public;
- c) the Companies which have borrowed money from banks and public financial institutions in excess of fifty Crore rupees.

The Company has adopted a Code of Conduct for Directors, Senior Management Personnel and all other Employees of the Company ("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.

2.2 This policy is designed to encourage employees of the Company and related third parties (e.g. customers, suppliers, etc., who deal with the Company) (“Third Parties”) to raise concerns, in confidence, about misconduct, malpractice or irregularities in any matters related to the Company. It should be noted that due to the nature of harassment cases, complaints relating to harassment are not covered by the Whistleblowing Policy. Instead, such complaints are covered by the CLP India’s Anti-Harassment Policy, which refers the reporting and investigation of harassment cases to local harassment handling procedures. 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 and to make provision for direct access to the [Chairman of the Audit Committee]/[Designated director] in appropriate or exceptional cases.

- 2.3 Considering the applicability of Section 177(9) of the Companies Act, 2013 and rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has formulated this Vigil Mechanism/Whistle Blower Policy in compliance thereto.

3. Definitions

- 3.1 “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.
- 3.2 a) “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013.
b) “Designated Director” mean director designated by the Board of Director for this policy.
- 3.3 “Board” means the Board of Directors of the Company.
- 3.4 “Code” means The Code of Conduct adopted by the Company for Directors, Senior Management Personnel and all other Employees.
- 3.5 “Company” means [CLP India Private Limited] (‘CLP’) and all its offices/divisions including its subsidiary companies
- 3.6 “Employee” means all the present employees and Whole-time Directors of the Company (whether working in India or abroad).
- 3.7 “Protected Disclosure” means a concern raised by an employee/director or group of employees/directors of the Company and by third party, 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.
- 3.8 “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.
- 3.9 “Vigilance Officer” means Head of Group Internal Auditor (India), an officer appointed to receive protected disclosures from Whistle Blower, maintaining records thereof, placing the same before the [Audit Committee]/[Designated Director] for its disposal and informing the Whistle Blower the result thereof.
- 3.10 “Whistle Blower” is an employee/director or group of employees/director(s) and third party who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

3.11 Company related third parties (Third Parties) are customers, suppliers, etc., who deal with the Company).

4. Policy Objectives

- 4.1 The Company is committed to developing a culture where it is safe for all directors, employees and third parties to raise concerns about any unacceptable practice and any event of misconduct.
- 4.2 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 and third parties who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.
- 4.3 The Vigil (Whistle Blower) Mechanism provides a channel to the employees, directors and Company related Third Parties to report concerns about unethical behaviour, 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/Designated Director in appropriate or exceptional cases.
- 4.4 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.

5. 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:

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

6. Coverage of the Policy

- 6.1 The Policy covers malpractices and events which have taken place/suspected to take place involving but not limited to the following:
- (a) Alleged wrongful conduct;
 - (b) Abuse of authority;
 - (c) Breach of contract;
 - (d) Conflict of Interests
 - (e) Negligence causing substantial and specific danger to public health and safety;
 - (f) Manipulation of company data/records;
 - (g) Financial irregularities, including fraud, or suspected fraud;
 - (h) Criminal offence;
 - (i) Pilferation of confidential/propriety information;
 - (j) Deliberate violation of law/regulation including Insider Trading;
 - (k) Misuse/misappropriation of Company's funds/assets;
 - (l) Breach of Company's Code of Conduct or Rules; and
 - (m) Any other unethical, biased, favoured, imprudent event.
- 6.2 The Policy should not be used as a route for raising malicious or unfounded allegations against colleagues.

7. Disqualification

- 7.1 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.
- 7.2 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.
- 7.3 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. In case of repeated frivolous complaints being filed by a Whistle Blower, the Audit Committee/Designated Director may take suitable action against such person including reprimand.
- 7.4 Any grievance related to issue, such as harassment at the workplace, will be dealt with in accordance with the CLP India Anti – Harassment policy and Gender Sensitization & Dignity guidelines. Further, any other Employee related issue will be dealt in accordance with CLP India Grievance Resolution Process guidelines.

8. Eligibility

All Employees, Directors of the Company and Company related third parties are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

9. Receipt and disposal of protected disclosures

- 9.1 Under the Code , employees are required to promptly alert their supervisor or higher management of business and work-related situations that could be damaging to CLP or cause harm to others such as emergencies, crimes, accidents, irregularities or other unexpected events; and to take reasonable action to prevent damage or harm. Employees could be in breach of the Code if they assist or authorize others in activities that breach the Code, or conceal or fail to report any known or suspected breaches by others. Employees and Third Parties may also have a duty to report corruption to the authorities if required to do so by local regulations.
- 9.2 Whistle Blowers can make Protected Disclosure to The Vigilance Officer as soon as possible 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.
- 9.3 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]/ [Designated Director – Director - Group Internal Audit] in appropriate or exceptional cases. The contact details of the Vigilance Officer are as under:-

Particulars	India Office	Hong Kong Office
Name	Head – Group Internal Audit (India)	Director – Group Internal Audit
Address	CLP India Pvt Ltd., 15 th Floor, Oberoi Commerze, Off. Western Express highway, Goregaon-East, Mumbai - 400063	Group Internal Audit CLP Holdings Limited 3rd Floor, Shamshupo Center 215 Fuk Wah Street, Kowloon, Hong Kong. Hotline # (852) 26786351
E-mail	surender.nagarajan@clpindia.in	clpwhistleblowing@clp.com.hk

- 9.4 Protected Disclosure against the Vigilance Officer and any of the Directors of the Company should be addressed to the [Chairman of the Audit Committee]/[Designated Director]. The contact details of the [Chairman of the Audit Committee]/[Designated Director] are as under:

Name: Director – Group Internal Audit

Address: Group Internal Audit, CLP Holdings Limited, 3rd Floor, Shamshuipo Center,
215 Fuk Wah Street, Kowloon, Hong Kong
Hotline # (852) 26786351

E-mail: clpwhistleblowing@clp.com.hk

- 9.5 It is preferred that these reports are not made anonymously. However, it is recognised that for any number of reasons, employees or Third Parties may not feel comfortable reporting potential violations directly to the Vigilance Officer. In these cases, anonymous reports may be submitted to the Vigilance Officer.
- 9.6 If initial/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.
- 9.7 Where initial 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 authorized 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.
- 9.8 Name of the Whistle Blower shall not be disclosed by the Vigilance Officer unless agreed or otherwise required under any law or regulation or by a competent court of law.

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).
- 9.9 The Vigilance Officer shall finalize and submit the report to the Chairman of the Audit Committee. Records shall be kept for all reported misconducts, malpractices, and irregularities by the Vigilance Officer. In the event a reported irregularity leads to an investigation, the Vigilant Officer shall ensure all relevant information relating to the case is retained, including details of corrective action taken for a period not exceeding six years (or whatever other period may be specified by any relevant legislation).

- 9.10 On submission of report, the Chairman of the Audit Committee shall discuss the matter with the Vigilance Officer. The Chairman of the Audit Committee /Designated Director 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) In case the Protected Disclosure is not proved, extinguish the matter;
- OR
- (c) Depending upon the seriousness of the matter, Chairman of the Audit Committee/ Designated Director 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/Designated Director for necessary action with its proposal.
- 9.11 The Policy provides the guiding principles for all employees to raise concerns about any unacceptable practice and any event of misconduct. Thus, CLP India expects all employees to certify at the time of joining CLP India that this policy is received, read and understood by them.

10. Protection

- 10.1 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, retaliation victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice. Those working for or with the Company who engages in retaliation or other means as described above against the Whistle Blower may also be subjected to civil, criminal and legal action in accordance with governing laws besides disciplinary action by the Company.
- 10.2 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under the applicable laws.
- 10.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

11. Secrecy / Confidentiality

The Whistle Blower, the Subject, the Vigilance Officer and everyone involved in the process

shall:

- (a) maintain complete and strict confidentiality/secretcy of the matter;
- (b) not discuss the matter with any other person other than one required for enquiry/investigation into the matter;
- (c) discuss only to the extent required for the purpose of completing the process and investigations;
- (d) not keep the papers unattended anywhere at any time; and
- (e) keep the electronic mails/files under password.

If anyone is found not complying with the above, he/she shall be held liable for such disciplinary and punitive action as is considered fit.

12. Reporting

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

13. Responsibility for implementation and review of policy

The Board /Audit Committee has overall responsibility for implementation, monitoring and periodic review of this policy. The Board reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever. In addition, the [Audit Committee]/[Designated Director] has delegated the day-to-day responsibility for administration of the policy to the Vigilance Officer.

If there are any questions about the contents or application of this policy, please contact the Vigilance Officer.

**ACKNOWLEDGEMENT AND AGREEMENT REGARDING
THE VIGIL MECHANISM / WHISTLE BLOWER POLICY**

This is to acknowledge that I have received a copy of the Company's Vigil Mechanism/Whistle Blower Policy. I understand that compliance with applicable laws and the Company's Code of Conduct is important and as a public Company, the integrity of the financial information of the Company is paramount. I further understand that the Company is committed to a work environment free of retaliation whenever an employee makes a good faith report regarding such concerns. Accordingly, I specifically agree that to the extent that I reasonably suspect there has been a violation of applicable laws or the Company's Code of Conduct including any retaliation related to the reporting of such concerns. I will immediately report such conduct in accordance with the Company's Whistle Blower Policy. I further agree that I will not retaliate against any employee for reporting a reasonably suspected violation in good faith.

I understand and agree that to the extent I do not use the procedures outlined in the Vigil Mechanism/Whistle Blower Policy, the Company and its officers and directors shall have the right to presume and rely on the fact that I have no knowledge or concern of any such information or conduct.

Employee's Signature

Employee's Name

Date

VIGIL MECHANISM/WHISTLE BLOWER REPORT FORM – ANNEX 1
(CONFIDENTIAL)

The Company is committed to the highest possible standards of openness, probity and accountability. In line with that commitment, the Company encourages employees of the Company and related third parties (e.g. customers, suppliers, etc., who deal with the Company) to raise concerns and report in confidence, about misconducts, malpractices or irregularities in any matters related to the Company.

The Vigilant Whistleblowing Policy has been established to encourage and assist Whistleblowers to disclose information relevant to the misconducts, malpractices or irregularities through a confidential reporting channel (to the extent possible). The Company will handle this report with care and will treat the Whistleblower’s concerns fairly and properly.

If you wish to make a written report, please use the report form below. Once completed, this report becomes confidential. You may send the report, marked confidential and addressed to the Vigilance Officer / Director – Group Internal Audit, by post to the relevant addresses below or by email to [surender.nagarajan@clpindia.in / clpwhistleblowing@clp.com.hk]

To: Vigilance Office / Director-Group Internal Audit	
India Office	Hong Kong Office
Vigilance Officer CLP India Private Limited 15th Floor, Oberoi Commerze Oberoi Garden City, International Business Park Mumbai 400 063, India	Group Internal Audit CLP Holdings Limited 3rd Floor, Shamshuipo Center 215 Fuk Wah Street Kowloon, Hong Kong
Your Name/Contact Telephone Number and Email We encourage you to provide your name with this report. Concerns expressed anonymously are much less powerful but they will be considered as far as practicable.	Name: _____ Address: _____ Tel No: _____ Email: _____ Date: _____
The names of those involved (if known):	
Details of concerns: Please provide full details of your concerns: names, dates and places and the reasons for the concerns (continue on separate sheet if necessary) together with any supporting evidence / documents.	