



Deccan Cements Limited

***Vigil Mechanism / Whistle
Blower Policy***

Preamble:

Vigil Mechanism / Whistle Blower Policy is a framework that ensures conduct of the affairs of company in a fair and transparent manner by adopting highest possible standards of professionalism, honesty, ethical, moral and legal conduct. 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 Directors and Senior Management Personnel.

This Policy protect the Whistle Blower wishing to raise a concern about serious irregularities within the Company related to any unethical or improper activity, malpractice and any event of misconduct.

Deccan Cements Limited (DCL) has established “DCL-Vigil Mechanism / Whistle Blower Policy” in order to provide a framework for responsible and secure Vigil Mechanism / Whistle Blower.

Objective and Purpose:

1. To establish procedures for the submission of complaints or concerns and provide an opportunity to report to the Management of the Company
2. To freely communicate or disclose concerns about illegal, immoral, illegitimate or unethical practices to the Management of the Company.
3. To provide necessary safeguard for protection of employees from reprisal or victimization
4. To let all stakeholders know the Company is serious about the adherence to Code of Conduct.
5. This DCL – Vigil Mechanism / Whistle Blower Policy applies to all its stakeholders including Directors, Employees (part/full time, temporary and contract).

Legislation:

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 banks and public financial institutions in excess of Rs. 50 crores.

Clause 49 of the Listing Agreement recently amended which, inter alia, provides, mandatory establishment of vigil mechanism / Whistle Blower Policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or

violation of the company's code of conduct or ethics policy. Accordingly, this "DCL-Vigil Mechanism / Whistleblower Policy" ("the Policy") has been formulated with a view to provide a mechanism for directors and employees of the Company to report protected disclosure.

Definitions:

1. **Audit Committee** shall mean a Committee of Board of Directors of the Company, constituted in accordance with provisions of Section 177 of Companies Act, 2013 read with Clause 49 of Listing Agreement entered into by the Company with Stock Exchanges.
2. **Code:** Deccan Cements Limited Code of Conduct.
3. **Director:** means every Director of the Company, past or present.
4. **Protected Disclosure** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
5. **Unethical and improper** practices shall mean –
 - a. An act which does not conform to approved standard of social and professional behaviour;
 - b. An act which leads to unethical business practices;
 - c. Improper or unethical conduct;
 - d. Breach of etiquette or morally offensive behaviour,
 - e. May lead to incorrect financial reporting;
 - f. Are not in line with applicable company policy;
 - g. Are unlawful etc
6. **Good Faith** means that 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 of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.
7. **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.
8. **Whistle Blower:** is a director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant

Policy:

This policy is intended:

1. To cover serious concerns that could have a large impact on the Company, unethical and improper practices such as actions that:
 - may lead to incorrect financial statement disclosure, accounting, internal accounting controls, auditing matters etc
 - are unlawful;
 - are not in line with company policy, including the Code of Conduct
 - otherwise amount to serious improper conduct, unethical behaviour, actual or suspected fraud or violations of the Company's Code of Conduct.
2. For directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
3. To provide adequate safeguards against victimization of director(s) / employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
4. To ensure that no adverse personnel action is taken in knowing retaliation against an employee for any lawful disclosure of information on unethical and improper practices.

Safeguard & Disqualification:

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

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. 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. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be malafide, frivolous or malicious, shall be liable to be prosecuted.

Reporting Procedures:

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

Contact Details of Vigil Officer:

Mr. S. K. Mishra, Company Secretary
Deccan Cement Limited, 'Deccan Chambers, 6-3-666/B,
Somajiguda, Hyderabad - 500 082
Email: sisir.mishra@deccancements.com

The complainant may opt not to disclose his identity in his correspondence with the Vigilance Officer. If disclosed, the Vigilance Officer shall protect the identity of the complainant. On receipt of the protected disclosure the Vigilance Officer process the Protected Disclosure.

In exceptional cases, concerns are in writing be forwarded in a sealed envelope to the Chairman of the Audit Committee, in care of the Company Secretary in an envelope labeled with a legend such as: "Protected Disclosure under Vigil Mechanism / Whistleblower Policy" to be opened by the Audit Committee only. Any such envelopes received by the Company Secretary will be forwarded unopened and promptly to the Chairman of the Audit Committee.

Investigation and Action:

Initial inquiries will be made to determine whether an investigation is appropriate and the form that it should take. Some concerns may be resolved by agreed action without the need for investigation.

After the receipt of any complaints submitted against the Subject (employee or any person of the company) for complaints hereunder, the Vigil Officer will investigate each matter so reported and take corrective and disciplinary actions, if appropriate, which may include, alone or in combination: a warning or letter of reprimand; demotion, loss of increment(s)/benefits; suspension without pay; or termination of employment etc. as per rules of the Company.

The Company does not permit retaliation of any kind against employees for complaints submitted hereunder that are made in good faith. However, an employee who knowingly makes false allegations of alleged wrongful conduct shall be subjected to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies, and procedures.

The investigation shall be completed within a reasonable period normally within 3 months of the receipt of the protected disclosure.

The action taken will depend on the nature of the concern. The Audit Committee receives a report on each complaint and a follow-up report on actions taken. In exceptional cases, the Audit Committee may entrust employee/s of the Company and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints.

The complainant will be given the opportunity to receive follow-up on their concern and subject to legal constraints the complainant will receive information about the outcome of any investigations.

Retention of Documents and Records:

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 5 years or such other period as specified by any other law in force.

Annual Affirmation:

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

Communication:

Directors and Employees shall be informed of the Policy and shall be disclosed on the website of the Company www.deccancements.com.

Amendment:

DCL reserves the right to change, modify or amend this policy at any time by its Board of Directors as it may deem necessary.
