



Deccan Cements Limited

Whistle-blower Policy

“Deccan Chambers”, 6-3-666/B,
Somajiguda, Hyderabad - 500 082

Whistle-blower Policy

1. Preface and Objective

- a. Section 177 of the Companies Act 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 make it imperative on listed companies to devise an effective whistleblower mechanism enabling stakeholders (employees, vendors, customers, shareholders, directors, auditors and such other parties/bodies) to freely communicate their concerns about unethical or illegal practices. In view of the onerous responsibility thrust on the external auditors to report on fraud, this mechanism becomes critical, since Companies (Auditor's Report) Order, 2020 (CARO 2020) mandates the statutory auditor to ask for details of whistleblower complaints that were raised and how the complaints were addressed.
- b. Deccan Cements Limited (DCL or “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. Towards this end, the Company has adopted the Code of Conduct as contained in the HR Manual (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of employees in pointing out such violations of the Code cannot be undermined. There is a provision under the Code requiring employees to report violations, which states: “We encourage our employees, customers, suppliers, and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of our Code, policies or laws. We also encourage reporting of any event (actual or potential) of misconduct that is not reflective of our values and principles. Avenues available for raising concerns and queries or reporting cases could include:

- immediate line manager or Human Resource department of your Company
- designated ethics officials of your Company
- the ‘confidential reporting’ third party ethics helpline (if available)
- any other reporting channel set out in our Company’s ‘whistleblower’ policy.

The company shall ensure protection to the whistleblower and any attempts to intimidate him/her would be treated as a violation of the “Code”

- c. Accordingly, this Whistleblower Policy (“the Policy”) has been formulated with a view to provide a mechanism for Directors and Employees of the Company to approach the Chairperson of the Audit Committee.
- d. Matters and practices relating to the Company whether within or outside the premises of the Company shall be within the scope of this Vigil Mechanism Policy.

2. Definitions:

The definitions of some of the key terms used in this Policy are given below.

- a. “**Apex Ethics Committee/Ethics Committee**” means the apex ethics committee constituted by the Company from time to time comprising of Managing Director, Internal Auditor, Company Secretary and HR Head. The Managing Director, by default, is Chairperson of this Committee.
- b. “**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/or Regulation 18 of the SEBI (LODR) Regulations, 2015.
- c. “**Code**” means the DCL Code of Conduct as contained in the HR Manual.

- d. **“Consequence Management Framework”** means the consequence management framework which is mentioned in the Code of Conduct approved by the Company and recommending the appropriate disciplinary action for any actual or potential violation of the Code.
- e. **“Director”** means director on the board of the Company.
- f. **“Employee”** means every employee of the Company.
- g. **“Vendors”** include the Suppliers, Consultants, Outside Service Providers (Housekeeping, Security, Canteen, etc.), employees of Group Companies.
- h. **“Investigators”** mean persons authorised, appointed, consulted or approached by the Apex Ethics Committee and includes the internal auditors of the Company and the police.
- i. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- j. **“Subject”** means a person against whom or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- k. **“Whistleblower”** means a Director or an Employee or any other person related to the Company making a Protected Disclosure under this Policy,

3. Scope

- a. This Policy is an extension of the DCL Code of Conduct as contained in the HR Manual. The Whistleblower’s role is that of a reporting party with reliable information of a genuine concern. They are neither required to act as investigators or fact finders, nor would they determine the appropriate corrective or remedial action(s) that may be warranted in any given case.
- b. Whistleblowers should neither act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities, other than as requested by the Apex Ethics Committee or the Investigators.

- c. Protected Disclosure will be appropriately dealt with by the Apex Ethics Committee.
- d. The scope of this Policy shall extend to and include communication in verbal, written or any other form including digital and non-digital medium. It could relate to past as well as current events.
- e. The Company shall treat all disclosures and reports as confidential information and will only reveal such information on a "need to know" basis or if required by law, court or relevant authorities. Confidential information includes the following: (i) information about the identity, occupation, residential address, work address or whereabouts of the Whistleblower; and the person against whom the Whistleblower has made a complaint; (ii) information disclosed by the Whistleblower; and (iii) information that, if disclosed, may be detrimental to any person.

4. Eligibility

- a. All Directors, Employees of the Company, and any other person related to the Company are eligible to make Protected Disclosures under this Policy. The Protected Disclosures may be in relation to matters concerning the Company and its ecosystem.
- b. All Directors, Employees of the Company, and any other person related to the Company are also eligible to report any instance of leak of Unpublished Sensitive Information.

5. Disqualifications

- 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 and represents a breach of the code of conduct. 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 intent.
- b. Whistleblowers, who make three or more Protected Disclosures at any point of time during employment with DCL and which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, may be disqualified from

reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Audit Committee would reserve its right to take/recommend appropriate disciplinary action, which could include any of the measures as mentioned under the Consequence Management as mentioned in the HR Manual.

6. Procedure

- a. All Protected Disclosures shall be addressed to the Chairperson of the Audit Committee of the Company for investigation.
- b. In respect of all other Protected Disclosures, the Chairperson of the Audit Committee shall refer the matter to the Apex Ethics Committee to review the complaints and take appropriate action. In case the complaints are against members of the Apex Ethics Committee, the Company Secretary, Internal Auditor and External Auditor shall act as the members of the Apex Ethics Committee (for those limited purpose), to whom the complaint should be addressed.
- c. The contact details of the Chairperson of the Audit Committee and the Apex Ethics Committee shall be disclosed in the website of the Company, as well as in the Notice Board of the Company.
- d. If a protected disclosure is received by any Directors/Employees of the Company, the same should be forwarded to the Chairperson of the Audit Committee, who shall refer the matter to the Apex Ethics Committee.
- e. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower.
- f. Protected Disclosures should be factual to the extent possible and complainant must avoid speculations/judgment/conclusion. Specificity is desirable to facilitate proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- g. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Appropriate care must be taken to keep the identity of the Whistleblower confidential.

- h. Anonymous disclosures will be discouraged. However, any anonymous disclosure that gives a prima facie impression about the existence of some possible malpractice, the matter shall be examined by the Apex Ethics Committee.
- i. The Ethics Committee shall meet as and when required and give their Report with their recommendations to the Chairperson of the Audit Committee, who shall place the same before the Audit Committee.

7. Investigation

- a. All Protected Disclosures reported under this Policy will be investigated by the Apex Ethics Committee.
- b. The Apex Ethics Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- c. The decision to conduct an investigation taken by the Apex Ethics Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not necessarily support the conclusion of the Whistleblower that an improper or unethical act was committed.
- d. The identity of the Subjects shall be kept confidential to the extent possible, given the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f. Subjects shall have a duty to co-operate with the Apex Ethics Committee or any of the Investigators during the investigation
- g. Subjects have a right to consult with a person or persons of their choice, other than the members of the Apex Ethics Committee. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- h. 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.

- i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. However, Subjects may not have access to the investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- j. Subjects have a right to be informed of the outcome 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.
- k. The investigation shall be completed normally within 45 days of receipt of the Protected Disclosure.
- l. The Internal Auditor shall audit the entire process and report to the Audit Committee of the Company about the adequacy of the entire process.

8. Protection

- a. No unfair treatment will be meted out to a Whistleblower 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 Whistleblowers. Complete protection will, therefore, be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like, including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to get professional advice on the procedure, etc.

- b. The immediate family member shall also be accorded with the similar protection as provided to the Whistleblower
- c. A Whistleblower may report any violation of the above clause to the Chairperson of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- d. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Apex Ethics Committee (e.g., during investigations carried out by Investigators).
- e. Any other Employee(s)/Director(s)/other person(s) assisting in the said investigation shall also be protected to the same extent as the Whistleblower.
- f. A Whistleblower shall not be subject to any civil or criminal liability. It is the Company's policy that all costs in relation to any legal liabilities or proceedings (whether criminal or civil) shall be borne by the Company. The lawyer defending the legal action shall be appointed by the Company.

9. Investigators

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Apex Ethics Committee when acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment effectiveness of the investigation. All Investigators shall be independent and unbiased, both in fact and be perceived as such. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review, which establishes that:
 - i. the alleged act constitutes an improper or unethical activity or conduct, and

- ii. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review.

10. Decision:

If an investigation leads to the Apex Ethics Committee to conclude that an improper or unethical act has been committed, the Apex Ethics Committee shall recommend to the Audit Committee, through the Chairman of the Audit Committee, to take disciplinary or corrective action as they deem fit.

11. 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 eight years, either digitally or otherwise. The Ethics Committee shall decide this aspect.

12. Amendment:

The Board reserves its right to amend or modify this Policy either in whole or in part, at any time.