



SOM Distilleries & Breweries Limited

WHISTLE BLOWER POLICY

April 2016





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1. INTRODUCTION

Section 177 of the Companies Act, 2013 and Regulation 46(2)(e) of *SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 requires every listed company to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. A vigil mechanism shall provide for adequate safeguards against victimization of persons who can also use such mechanism for reporting genuine concerns including above.

2. OBJECTIVE

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, SOM encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. This policy aims to provide an avenue for employees to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports.

3. DEFINITIONS:

- **“Disciplinary Action”** means any action that can be taken on the completion of /during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- **“Employee”** means every employee of the Company (whether working in India or abroad)
- **“Protected Disclosure”** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.
- **“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.
- **“Whistleblower”** is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.
- **“Whistle Officer” or “Whistle Committee” or “Committee” or “Vigilance Officer”** means an officer or Committee of persons who is/are nominated/ appointed to conduct detailed investigation of the disclosure received from the whistleblower and recommend disciplinary action.
- **“Company”** means, “SOM Distilleries and Breweries Ltd, its subsidiaries and associates ”





- **“Good Faith”:** 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 on 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.

4. APPLICABILITY

The policy will be applicable to all personnel of the Company. Whistleblower includes any employee, director, officer, customer, contractor, vendor and/or third party intermediary such as agents and consultants whether appointed on permanent, temporary, full time, part - time, contractual, probation or on retainer basis and engaged to conduct business on behalf of the Company.

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

5. COVERAGE OF THE POLICY

Alleged misconduct may include, but is not limited to the following:

- Forgery, falsification or alteration of documents.
- Unauthorized alteration or manipulation of computer files /data.
- Fraudulent reporting, willful material misrepresentation.
- Unauthorized Discounts.
- Falsification, Destruction of Company Records.
- Fraudulent Insurance Claims.
- Deliberate violation of law/regulation.
- Pursuit of benefit or advantage in violation of the Company’s policies.
- Misappropriation/misuse of Company's resources viz; funds, supplies, vehicles or other assets.
- Authorizing/receiving compensation for goods not received/ services not performed.
- Authorizing or receiving compensation for hours not worked.
- Improper use of authority.
- Unauthorized Release of Proprietary Information.
- Financial irregularities, including fraud, or suspected fraud.
- Breach of contract.
- Theft of Cash.
- Theft of Goods/Services.
- Any other unethical, biased, favored, imprudent action.

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.





6. PROTECTION TO THE WHISTLEBLOWER

If one raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. The employee will not be at the risk of losing her/ his job or suffer loss in any other manner like 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, as a result of reporting under this Policy. The protection is available provided that:

- The communication/ disclosure is made in good faith
- He/She reasonably believes that information, and any allegations contained in it, are substantially true; and
- He/She is not acting for personal gain

7. ACCOUNTABILITY- WHISTLEBLOWERS

- Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide evidence, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- Avoid anonymity when raising a concern
- Follow the procedures prescribed in this policy for making a disclosure
- Co-operate with investigating authorities, maintaining full confidentiality
- The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty disclosures. Malicious allegations by employees may attract disciplinary action
- A whistleblower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation
- Maintain confidentiality of the subject matter of the disclosure and the identity of the persons involved in the alleged malpractice.

8. ANONYMOUS ALLEGATION

Whistleblowers must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily not be investigated.

9. PROCEDURE

All Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as





“Protected disclosure under the Whistle Blower policy” or sent through email with the subject “Protected disclosure under the Whistle Blower policy”.

All Protected Disclosures should be addressed to the Chairman of the Audit Committee.

In order to protect the identity of the complainant, the Chairman of the Audit Committee will not issue any acknowledgement to the complainants and they are not advised neither to write their name / address on the envelope nor enter into any further correspondence.

10. INVESTIGATION

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The officer will carry out an investigation either himself / herself or by involving any other Officer of the Company / Committee constituted for the same / an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other / additional Officer of the Company and / or Committee and / or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his / her concern / interest forthwith and shall not deal with the matter.

11. DECISION

If an investigation leads to conclude that an improper or unethical act has been committed, the management of the Company to take such disciplinary or corrective action as it deems fit. It is clarified that any disciplinary or corrective action initiated against the S\subject as a result of the findings of an investigation pursuant to this policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

12. DOCUMENT RETENTION

The Company shall maintain documentation of all complaints or reports subject to this Policy. The documentation shall include any written submissions provided by the complainant, any other Company documents identified in the complaint or by the Company as relevant to the complaint, a summary of the date and manner in which the complaint was received by the Company and any response by the Company to the complainant.





13. 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. However, no such amendment or modification will be binding on the employees and directors unless the same is notified to the employees and directors in writing.

14. NOTIFICATION

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

