

WHISTLE BLOWER POLICY OF CCI

1. Preface:

1.1 This policy is formulated to provide (a) an opportunity to employees and an avenue to raise concerns and to access in good faith the Audit Committee, to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company; (b) to provide necessary safeguards for protection of employees from reprisals or victimization; and (c) to prohibit managerial personnel from taking any adverse personnel action against those employees.

1.2 DPE guidelines issued on Corporate Governance vide OM No. 18(8)/2005-GM dated 14th May, 2010 provides to establish a mechanism for employees to report to the management, concern about unethical behaviors, actual or suspected fraud, or violation of the company's General guidelines on conduct or ethics policy. This mechanism could also provide for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

2. Objective & Purpose

2.1 The objective is to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith and to provide opportunity to employees to access in good faith, to the Audit Committee in case they observe unethical and improper practices or any other wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse personnel action against those employees.

2.2 However, a disciplinary action against the Whistle Blower which occurs on account of poor job performance or misconduct by the Whistle Blower and which is independent of any disclosure made by the Whistle Blower, shall not be protected under this policy.

2.3 For the sake of absolute clarity, it is specified that the Whistle Blower Policy does not tantamount in any manner to dilution of the Vigilance mechanism in CCI. Rather, over and above the existing Vigilance Mechanism, any Protected Disclosure made by an employee under this policy, if perceived to have a vigilance angle, shall be referred to the Chief Vigilance Officer, CCI, as per the existing practice. The Policy is not to be used to resolve/address individual or group grievances and also not used to settle personal scores and harass others.

The policy does not releases employees from their duty of confidentiality in the course of their work, nor it route for taking up a grievance about a personal situation.

3. Policy

3.1 This Policy is for the Employees as defined hereinafter.

3.2 The Policy has been drawn up so that Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph 7.

4. Definitions:

4.1 "CCI" means Cement Corporation of India Ltd.

4.2 "Audit Committee" means the Audit Committee of the Board constituted by the Board of Directors of CCI in accordance with guidelines on Corporate Governance for CPSEs.

4.3 "Competent Authority" means the Chairman & Managing Director of CCI and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case of conflict of interest (CMD being the subject person), Competent Authority means Chairman – Audit Committee.

4.4 "Employee" means an employee as defined in the CCI– Conduct, Discipline and Appeal Rules and standing orders.

4.5 "Improper Activity" means unethical behaviour, actual or suspected fraud or violation of the CDA Rules and standby orders of CCI and company's general guidelines on conduct or ethics policy by any employee of CCI.

4.6 "Investigators" means those officers on the rolls of CCI and any other outside expert authorized, appointed, consulted or approached by the Chairman & Managing Director/Competent Authority in connection with conducting investigation into a protected disclosure and include the Auditors of CCI.

4.7 "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may be treated as evidence of unethical or "Improper Activity".

4.8 'Whistle Officer' means an Officer of CCI who has been appointed by CMD of CCI to maintain a record of Protected Disclosures.

4.9 "Service Rules" means the CCI–Conduct, Discipline and Appeal Rules and standby orders.

4.10 "Subject" means an employee - officer / staff against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

4.11 "Whistle Blower" means an Employee making a Protected Disclosure under this policy.

5. Eligibility

All employees of CCI are eligible to make "Protected Disclosures"

6. Guiding Principles

6.1 Protected disclosures shall be acted upon in a time bound manner.

6.2 Complete confidentiality of the Whistle Blower will be maintained.

6.3 The Whistle Blower and / or the person(s) processing the Protected Disclosure will not be subjected to victimization.

6.4 Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.

6.5 'Subject' of the Protected Disclosure i.e Employee against or in relation to whom a protected disclosure has been made, will be provided an opportunity of being heard.

6.6 The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.

6.7 The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality.

7. Coverage of Policy

7.1 The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud, or suspected fraud
6. Criminal offence
7. Pilferage of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of Code of Conduct or Rules of CCI.
11. Any other unethical, biased, favoured, imprudent event

7.2 Policy should not be used in place of the Corporation's grievance procedures including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges or be a route for raising malicious or unfounded allegation against colleagues/seniors.

8. Disqualifications

8.1 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.

8.2 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide*, *frivolous* or *malicious* shall be subject to disciplinary action, upto and including termination of employment in accordance with Corporation's rules, policies and procedures. Further, this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Corporation's rules and policies.

9. Whistle Blower – Role & Protections

Role:

9.1 The Whistle Blower's role is that of a reporting party with reliable information.

9.2 The Whistle Blower is not required or expected to conduct any investigations on his own.

9.3 The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he shall not have a right to participate.

9.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.

9.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

Protections:

9.6 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 Corporation, as a policy, condemns any kind of discrimination, harassment, 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 like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further protected Disclosure. However, motivated and frivolous disclosures shall be discouraged.

9.7 The identify of the Whistle Blower shall be kept confidential.

9.8 If the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, arrangements will be made for the Whistle Blower to receive advice about the procedure. Expenses incurred by the Whistle Blower in connection with the above, towards travel etc. will be reimbursed as per normal entitlements.

9.9 A Whistle Blower may report any violation of clause 9.8 above to the Competent Authority who shall investigate into the same and take corrective action as may be required.

9.10 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

10. Procedures – Essentials And Handling of Protected Disclosure:

10.1 The Protected Disclosure / Complaint should be attached to a letter bearing the identity of the whistle blower / complainant i.e. his/her Name, Employee Number and Location, and should be inserted in an envelope which should be closed / secured / sealed. The envelope thus secured / sealed should be addressed to the Competent Authority and should be superscribed "Protected Disclosure". (If the envelope is not superscribed and closed /sealed / secured, it will not be possible to provide protection to the whistle blower as specified under this policy).

10.2 If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the whistle blower, he may send his protected disclosure directly to the Audit Committee, c/o the Company Secretary, CCI.

10.3 Anonymous or pseudonymous Protected Disclosure shall not be entertained.

10.4 Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the whistle blower and should provide a clear understanding of the Improper Activity involved or issue / concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.

10.5 Investigations into any Improper Activity which is the subject matter of an inquiry or order under the Public Servants' Inquiries Act, 1850 or under the Commissions of Inquiry Act, 1952 will not come under the purview of this policy.

10.6 The contact details of the Competent Authority for addressing and sending the Protected Disclosure is as follows:

The Chairman & Managing Director, Competent Authority, Whistle Blower Mechanism

CEMENT CORPORATION OF INDIA LTD.
CORE-5, SCOPE COMPLEX,
LODHI ROAD
NEW DELHI-110 003

10.7 The contact details for addressing a protected disclosure to the Chairman Audit Committee are as follows:

CHAIRMAN, AUDIT COMMITTEE
C/O COMPANY SECRETARY,
COMPETENT AUTHORITY,
WHISTLE BLOWER MECHANISM,
CEMENT CORPORATION OF INDIA LTD.
CORE-5, SCOPE COMPLEX,
LODHI ROAD
NEW DELHI- 110 003

10.8 The Competent Authority shall mark the envelope containing the Protected Disclosure to a 'Whistle Officer', which shall maintain a record thereof and shall submit the same to the Investigators as appointed by Competent Authority.

10.9 The 'Whistle Officer' shall weed out frivolous complaints and the Protected Disclosure(s) which require further investigation shall be forwarded to the investigator(s) nominated for this purpose.

11. Investigations and Role of Investigators:

Investigation:

11.1 Investigations shall be launched if the Competent Authority is satisfied after preliminary review that:

(a) The alleged act constitutes an improper or unethical activity or conduct, and

(b) The allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter deserves investigation.

11.2 The decision taken by the Competent Authority to conduct an investigation is by itself not to be construed as an accusation and is to be treated as a neutral fact finding process.

11.3 The identity of the Subject(s) and the Whistle Blower will be kept confidential.

11.4 Subject(s) will normally be informed of the allegations at the commencement of a formal investigation and will be given opportunities for providing their inputs during the investigation.

11.5 Subject(s) shall have a duty to co-operate with the Investigator(s) during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

11.6 Subject(s) 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 Subject(s).

11.7 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

11.8 The investigation shall be completed normally within 45 days of the date of receipt of the protected disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.

11.9 Subject(s) have a right to be informed of the outcome of the investigation.

Role of Investigator(s):

11.10 Investigator(s) are required to conduct a process towards fact finding and analysis. Investigator(s) shall derive their authority from Competent Authority when acting within the course and scope of their investigation. The Investigator(s) shall submit his / their report to the Competent Authority.

11.11 All Investigators shall perform their role in an independent and unbiased manner. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour and observance of professional standards.

12. Action

12.1 If the Competent Authority is of the opinion that the investigation discloses the existence of improper activity which is an offence punishable in law, the Competent Authority may direct the concerned authority to take disciplinary action under applicable statutory provisions including referring the matter to Chief Vigilance Officer of CCI for appropriate action.

12.2 The Competent Authority shall take such other remedial action as deemed fit to remedy the improper activity mentioned in the protected disclosure and /or to prevent the re-occurrence of such improper activity.

12.3 If the investigation discloses that no further action on the protected disclosure is warranted, the report shall be filed in the Confidential Section.

13. Reporting and Review

The Competent Authority shall submit a quarterly report of the protected disclosures, received and of the investigation conducted, and of the action taken to the Audit Committee for review.

14. Notification

All Directors / Executive Directors/ General Managers / Regional/Zonal Managers / Departmental Heads etc. are required to notify & 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, circulated to all recognised unions. This policy, including amendments thereof, shall also be made available on CCP's website.

15. 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.

16. Amendments:

This policy can be modified at any time by the Audit Committee of CCI. Such modifications shall also be reported to the Board of Directors.