

# LAKME INVESTMENT AND FINANCE LIMITED

## WHISTLE BLOWER POLICY

### Version Control

Document version	Description of changes	Memorandum of change	Prepared by	Proposed by	Owner Dept.	Approval Date
1.0			Operations	Head of Operation	Operations	

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## 1. Objective:

Lakme Investment and Finance Limited (hereinafter referred to as “Lakme” or “Company”) believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. A vigil (whistle blower) mechanism provides a channel to the Employees and Directors to report to the management about any of the following:

- Unethical behavior.
- Actual or suspected fraud.
- Violation of the Code or legal or regulatory requirements.
- Incorrect or misrepresentation of any financial statements and reports etc.

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place/suspected to have taken place involving, inter alia:

- Breach of business integrity and ethics
- Breach of terms and conditions of employment and rules thereof
- Intentional financial irregularities, including fraud, or suspected fraud.
- Violation of any law or regulations, policies including but not limited to corruption, bribery, theft, fraud, coercion, and willful omission.
- Gross or willful negligence causes substantial and specific danger to health, safety, and the environment.
- Manipulation of the Company’s data/records
- Pilferage of confidential/propriety information
- Gross wastage/misappropriation of Company funds/assets

The above list is merely illustrative and should not be considered as exhaustive, with the Company reserving the right to update the same from time to time in any manner it deems fit. The policy is, however, not a route for taking up a grievance about a personal situation.

## **2. Definitions:**

- a. "Fraud" in relation to affairs of a company or a body corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the Company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss;
- b. "Whistle Blower" means an Employee making a Protected Disclosure under this Policy. This whistle-blower has come to the decision to make a disclosure or express a genuine concern/grievance/allegation, after a lot of thought.
- c. "Ombudsperson" shall be the Compliance officer for the purpose of receiving all complaints under this Policy and ensuring appropriate action. In the first instance, the Board shall appoint this Ombudsperson. Any change in the Ombudsperson may be carried out by the Audit Committee.

## **3. Reporting Mechanism:**

- The Risk Committee shall oversee the vigil mechanism and if any of the members of the Committee have a conflict of interest in each case, they should recuse themselves and the others on the Committee will deal with the matter at hand. Necessary awareness among all employees in all cadres shall be created on this policy, stating the reporting mechanism.
- All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting to the

**Principal Officer, Committee Lakme Investment and Finance Limited  
NO.1, ANNA PILLAI STREET CHENNAI TN 600001 IN**

- The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower Policy/ Vigil Mechanism."

- The same shall also be sent through email with the subject “Protected disclosure under the Whistle Blower policy/ Vigil Mechanism.”
- On receipt of the Protected Disclosure the Ethics Officer/ Managing Director/ chairperson of the Committee shall make a record of the Protected Disclosure and will first do a preliminary investigation to check whether the complaint is genuine and falls under the purview of this Whistle Blower Policy. If the complaint is sent with malicious intent, then the Committee will take appropriate disciplinary action against the Whistle Blower.

The record will include:

- a. Brief facts
- b. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof.
- c. Whether the same Protected Disclosure was raised previously on the same subject
- d. Details of actions taken by Compliance Officer / Managing Director for processing the complaint
- e. Findings of the Risk Committee
- f. The recommendations of the Risk Committee/ other action(s).

The Risk / Ethics Officer, if deems fit, may call for further information from the Whistle Blower or any other person who may be considered to hold relevant information with respect to the Protected Disclosure.

#### **4. Protection:**

- No unfair treatment will be caused 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, 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, transfer, 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

- The Company will take steps to minimize difficulties which the Whistle Blower may experience because of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in any disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- The identity of the Whistle Blower shall be kept confidential.
- Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower

**5. Disqualification from Protection:**

- Protection under the Policy would not mean protection from departmental action arising out of false or bogus disclosure made with malafide intention or complaints made to settle personal grievance.
- Whistle Blowers, who make any disclosures, which have been subsequently found to be malafide or frivolous or malicious shall be liable to be prosecuted and appropriate disciplinary action will be taken against them under Service Rules/ bipartite settlements only when it is established that the Complaint has been made with intention of malice.
- This policy does not protect an employee from an adverse action which occurs independent of his disclosure under this policy or for alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this policy.

**6. Confidentiality:**

The Whistle Blower, Ethics Officer, members of Risk Committee, the Subject and everybody involved in the process shall:

- a. Maintain confidentiality of all matters under this Policy
- b. Discuss only to the extent or with those persons as required under this Policy for completing the process of investigations.
- c. Not to keep the papers unattended anywhere at any time
- d. Keep the electronic mails/ files under password.
- e. Adhere to such other practices to ensure confidentiality throughout, including post completion of the investigation process.

**7. Reporting:**

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

**8. Amendment**

The Company reserves the right to amend or modify this policy in whole or in part, at any point in time. Any amendment to the policy shall take effect from the date when it is approved by the Committee / Board of Directors of the Company.

**9. Limitation**

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy.