

# **Cholamandalam Investment and Finance Company Limited**

## **Whistle Blower Policy**

## WHISTLE BLOWER POLICY

<b>POLICY</b>	Whistle Blower Policy under Vigil Mechanism of Cholamandalam Investment and Finance Company Limited ("CIFCL" or the "Company") formulated under section 177 of the Companies Act, 2013 and Regulation 22 read with Regulation 4(2)(d)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This will also serve as the whistle blower policy under Regulation 9A(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.
<b>OBJECTIVE</b>	To provide Directors, Employees, customers and vendors an avenue to raise concerns, in line with the commitment of CIFCL to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication.
<b>DEFINITIONS</b>	<p>"Board" or "Board of Directors" shall mean the board of directors of the Company, as constituted from time to time</p> <p>"Director" shall mean a member of the Board of the Company</p> <p>"Employee" shall mean all persons employed by the Company and shall include secondees and persons employed for a temporary purpose or period, or on a temporary basis.</p> <p>"Forensic audit" shall mean an audit commenced pursuant to regulation 30, Schedule III, Part A of SEBI LODR (by whatever name called), which are initiated with the objective of detecting any mis-statement in financials or mis-appropriation/ siphoning or diversion of funds.</p> <p>"Generally Available Information" means information that is accessible to the public on a non-discriminatory basis, and "Generally Available" will be construed accordingly.</p> <p>"Key Managerial Personnel" shall have the meaning assigned to it in Section 2(51) of the Companies Act, 2013, as amended or modified.</p> <p>"Policy" shall mean this Whistle Blowers Policy of the Company</p> <p>"Securities" shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund.</p>

	<p>“Unpublished Price Sensitive Information” or ‘UPSI’ means any information, relating to the Company or its Securities, directly or indirectly, that is not Generally Available, which upon becoming Generally Available, is likely to materially affect the price of the Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:</p> <ol style="list-style-type: none"> <li>i. financial results</li> <li>ii. dividends</li> <li>iii. change in capital structure</li> <li>iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and</li> <li>v. changes in Key Managerial Personnel.</li> </ol> <p>“UPSI Leak Inquiry Procedure Policy” shall mean “POLICY GOVERNING THE PROCEDURE OF INQUIRY IN CASE OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION OF CHOLAMANDALAM INVESTMENT AND FINANCE COMPANY LIMITED”</p>
<b>SCOPE</b>	To provide necessary safeguards for protection of Complainants (as defined below) from reprisals or victimization, for whistle blowing in good faith.
<b>COVERAGE</b>	All Directors, permanent Employees, customers and vendors of CIFCL.
<p><b>MAIN FEATURES</b></p> <p><b>Improper Practice</b></p>	<p>CIFCL including subsidiaries, Associate Companies and Joint Ventures in case such entities do not have a Whistle Blower Policy of their own.</p> <p>The Policy is intended to cover genuine and serious concerns that could have a large impact on CIFCL, such as actions (actual or suspected) that:</p> <ul style="list-style-type: none"> <li>➤ May lead to incorrect financial reporting;</li> <li>➤ Are not in line with applicable Company policy;</li> <li>➤ Involve any instance of bribery, embezzlement or misappropriation;</li> <li>➤ Amount to unethical behaviour;</li> <li>➤ Amount to actual or suspected fraud;</li> <li>➤ Violative of Company’s code of conduct;</li> <li>➤ involve leakage of Unpublished Price Sensitive Information;</li> <li>➤ Are unlawful or;</li> <li>➤ Otherwise amount to serious improper conduct.</li> </ul>

<p>Complainant (Whistleblower)</p>	<p>A Director/ Employee/ customer/ vendor making a complaint/ referral under this Policy is commonly referred to as a Complainant (Whistleblower). The Complainant's role is as a reporting party. He/she is not an investigator. Although the Complainant is not expected to prove the truth of an allegation, the Complainant needs to reasonably demonstrate to the whistle blower committee, that there are sufficient grounds for concern.</p>
<p>Whistle Blower Committee</p>	<p>The Whistle Blower Committee (Committee) shall comprise of Managing Director (MD), Chief Financial Officer (CFO) and Company Secretary (CS) of the company.</p> <p>In case of complaints by or against Employees, customers and vendors, the Committee will deal with the matters under this Policy and report directly to the Audit Committee in relation to any matters under this Policy. The Committee shall deal with independence and fairness on all complaints and shall not have a conflict of interest in the investigation</p> <p>In appropriate / exceptional cases, direct access to the Chairman of the Audit Committee will be permitted.</p> <p>In case of complaints by or against Directors, the same will be dealt by the Chairperson of the Audit Committee of the Board.</p> <p>In case the Complainant has reason to believe that any member of the Committee is involved in the suspected violation, the complaint may be made directly to the Chairman of the Audit Committee, or to the Board.</p>
<p>Safeguards</p>	<p>⊕ <b>Harassment or Victimization:</b> Harassment or victimization of the Complainant will not be tolerated and could constitute sufficient grounds for dismissal of the concerned Employee or Director involved in such harassment or victimization. Any complaint of harassment or victimization by a Complainant will be addressed promptly, and the relevant Employee or Director named in such harassment or victimization complaint will be required to prove that the allegations made in the complaint are not true/ do not amount to harassment or victimization.</p> <p>⊕ <b>Confidentiality:</b> Every effort will be made to strictly protect the Complainant's identity, subject to legal constraints, by all persons who are involved in handling the complaint and those who receive any information in relation to such complaint.</p> <p>⊕ <b>Anonymous Allegations:</b> Complainants must put their names to allegations as follow-</p>

	<p>up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously WILL NOT BE usually investigated BUT subject to the seriousness of the issue raised, the Committee can initiate an investigation independently.</p> <p>⊕ <b>Malicious/ Frivolous Allegations:</b>          Malicious, frivolous or baseless allegations by Employees or Directors will result in disciplinary action against such Employee or Directors.</p>
Reporting	<p>The whistle blowing procedure is intended to be used for genuine, serious and sensitive issues. Only genuine and serious concerns of the nature set out in this Policy should be reported to the Committee. Annexure I provides the necessary contact details of the Committee. In line with the objectives of the policy, routine grievances from customers / vendors shall be dealt with by the customer / vendor grievance mechanism of the Company and shall not be covered under this policy. With respect to referrals from customer / vendors, those alleging corruption charges and reputational risks will be dealt with under the policy.</p>
Investigation	<p>All complaints received will be recorded and looked into. If initial enquiries by the Committee indicate reasonably that the concern has no basis, or it is not a matter to be pursued under this Policy, it may be dismissed at this stage by the Committee and the decision shall be documented by the Committee. It is clarified that if the complaint received is in relation to an Improper Practice that involves leakage of Unpublished Price Sensitive Information, the complaint shall be investigated under the UPSI Leak Inquiry Procedure policy in accordance with its terms. The Committee must work with the Chief Investor Relations Officer, the Inquiry Committee and the Compliance Officer under the UPSI Leak Inquiry Procedure Policy to ensure that the protections available to the Complainant (and penal provisions applicable to malicious/frivolous allegations) under this policy continue to be available/applicable (as the case may be).</p> <p>Where initial enquiries indicate that further investigation is necessary, this will be carried by the Committee. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.</p>
Investigation Result	<p>Based on a thorough examination of the findings, the</p>

	<p>Committee would submit the report of finding and recommend an appropriate course of action to Audit Committee. The said recommendation will be based on the internal whistleblower process of CIFCL, involving reference to the Company Secretary and co-ordination with the respective functional / business heads of CIFCL.</p> <p>Where an Improper Practice is proved, this would cover suggested disciplinary action, including dismissal, if applicable, as well as preventive measures for the future. All discussions would be minuted and the final report will be prepared, setting out the facts, evidence, observations and discussions in relation to the complaint and the investigation.</p>
Investigation Subject	<p>The investigation subject is the person / group of persons who are the focus of the enquiry / investigation, against whom the complaint has been made.</p> <p>Their identity would be kept confidential to the extent possible, subject to legal constraints, by all persons who are involved in handling the complaint and those who receive any information in relation to such complaint.</p>
Reporting to Stock exchanges	<p>If the complaint is pertaining to any material mis statement in financials, mis appropriation / siphoning or diversion of funds leading to initiation of forensic audit, the following shall be disclosed to the stock exchanges under Regulation 30 of SEBI LODR.</p> <ul style="list-style-type: none"> <li>(i) Fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;</li> <li>(ii) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the listed entity along with comments of the management, if any.</li> </ul>
Reporting by Whistle Blower Committee	<p>Whistle blower committee will provide quarterly reports to the Audit Committee. Such reports shall include details of any malicious, frivolous or baseless complaints made by any Employee.</p>

<p>Communication with Complainant</p>	<p>The Complainant will receive an acknowledgement on receipt of the concern by the Committee.</p> <p>The amount of contact between the Complainant and the body investigating the concern will depend on the nature of the issue and the clarity of information provided.</p> <p>Further information may be sought from him/her.</p> <p>Subject to legal constraints, s/he will receive information about the outcome of any investigations (including any investigations done under the UPSI Leak Inquiry Procedure Policy).</p>
<p>Changes to Policy</p>	<p>Subject to applicable law, this Policy can be changed, modified, rescinded or abrogated at any time by CIFCL.</p>
<p><b>ACCOUNTABILITIES</b></p> <p>Directors / Employees / Customers / Vendors</p>	<ol style="list-style-type: none"> <li>1. Bring to early attention of the Company any Improper Practice (whether regular or in a single instance) that they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern.</li> <li>2. Avoid anonymity when raising a concern.</li> <li>3. Co-operate with investigating authorities, maintaining full confidentiality.</li> <li>4. The intent of the Policy is to bring genuine and serious issues to the fore and it is not intended for petty complaints. Malicious, frivolous or baseless allegations by Employees may attract disciplinary action.</li> <li>5. A Complainant has the right to protection from retaliation, harassment and victimisation. But this does not extend to immunity for complicity in the matters that are the subject of the allegations and investigation under a complaint.</li> <li>6. In exceptional cases, where the Complainant (being an Employee / customer / vendor) is not satisfied with the outcome of the investigation carried out by the Committee, s/he can make a direct appeal to the Chairman of the Audit Committee of CIFCL.</li> </ol>

Whistle Blower Committee	<ol style="list-style-type: none"> <li>1. Ensure that the Policy is being implemented.</li> <li>2. Ascertain the credibility of the charge or complaint, based on the facts set out in the complaint and a reasonably conducted preliminary investigation and enquiry. If such initial enquiry reasonably indicates further investigation is not required, close the issue.</li> <li>3. In case of complaint received in relation to an Improper Practice that involves leakage of Unpublished Price Sensitive Information, to undertake the specific actions set forth under the head "Investigation" above (and to that extent, the duties relating to investigation under the policy shall not be applicable)</li> <li>4. Document all complaints, enquiries and the steps taken to address the complaint.</li> <li>5. Where further investigation is indicated carry this through, appointing a Committee if necessary.</li> <li>6. Provide quarterly reports to the Audit Committee of CIFCL.</li> <li>7. Acknowledge receipt of concern to the Complainant, thanking him/her for initiative taken in upholding the Company's business conduct standards.</li> <li>8. Ensure that necessary safeguards are provided to the Complainant to protect him/ her from any retaliation, harassment and victimisation.</li> <li>9. Conduct the enquiry in a fair, unbiased manner.</li> <li>10. Ensure complete fact-finding.</li> <li>11. Maintain strict confidentiality.</li> <li>12. Document the investigation thoroughly, including all facts, evidences, discussions and finding, including whether an Improper Practice has been committed and if so by whom.</li> <li>13. Recommend an appropriate course of action to the Audit Committee - suggested disciplinary action, including dismissal, and preventive measures and other appropriate measures.</li> <li>14. Minute Committee deliberations and document the final report.</li> <li>15. Table the quarterly reports with the Audit Committee.</li> </ol>
Investigation Subject	<ol style="list-style-type: none"> <li>1. Provide full co-operation to the Investigation team.</li> <li>2. Be informed of the outcome of the investigation.</li> <li>3. Accept the decision of the Committee.</li> <li>4. Maintain strict confidentiality.</li> </ol>
Conflict of Interest	<p>In case the members of the Committee or the Panel or the Board have any conflict of interest, with respect to the complaint, the Complainant or the persons named in the complaint, such persons shall recuse themselves from the investigation, hearing and decision making on the said complaint. Such persons will in no way attempt</p>



	<p>to influence the process of the investigation, hearing and decision making on the said complaint, failing which they may also face disciplinary action, including suspension or termination.</p>
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<b>LIST OF ANNEXURES</b>	
<b>Annexure I</b>	<b>Whistle Blower Committee Contact Details</b>
<b>Annexure II</b>	<b>Process Flow</b>

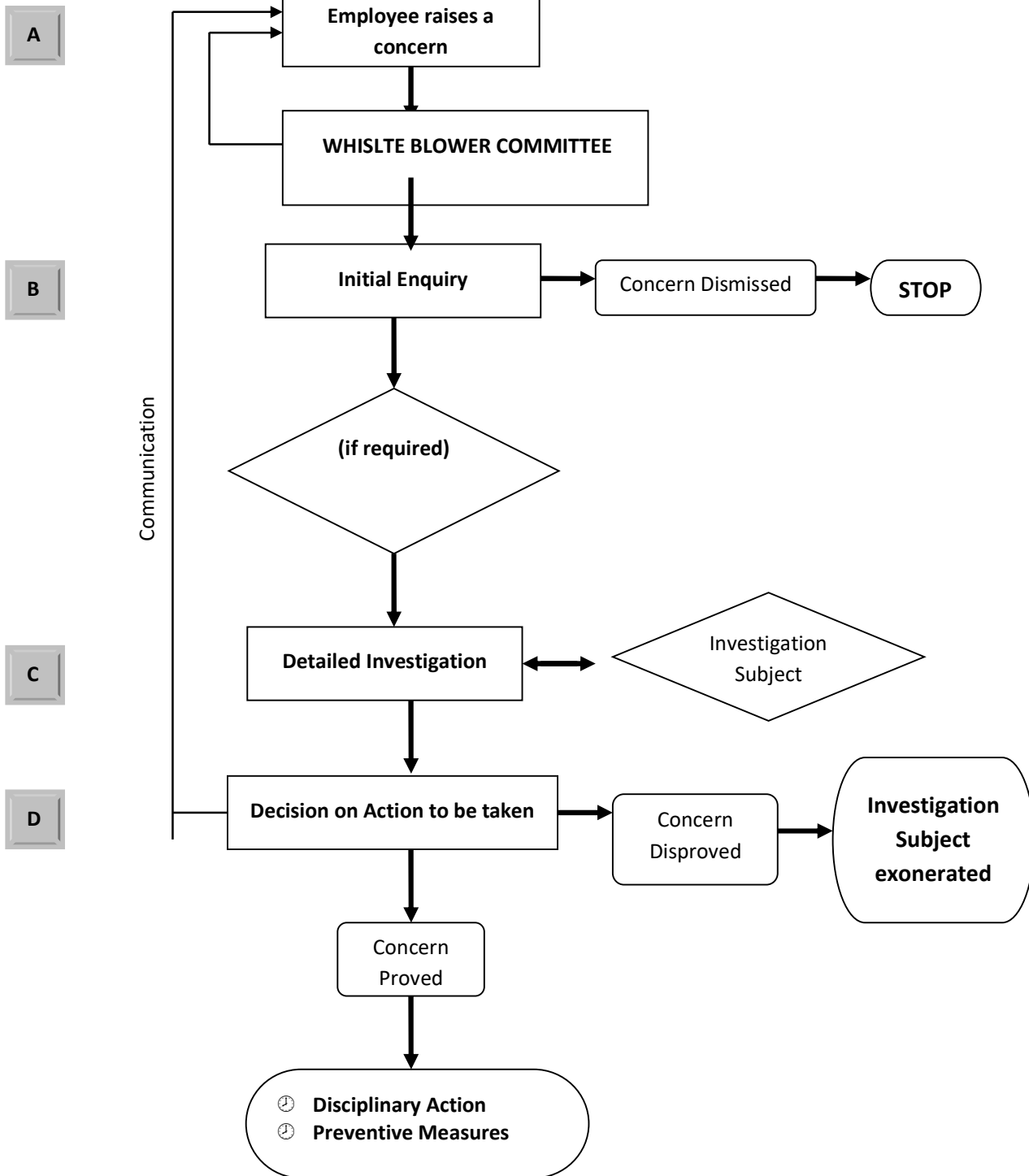
**ANNEXURE I: WHISLTLE BLOWER COMMITTEE CONTACT DETAILS****For complaints by or against Directors****OMBUDSPERSON: Mr. N RAMESH RAJAN (Chairman of Audit Committee)****CONTACT DETAILS:****Address:**"Chola Crest", C-54 & 55, Super B-4, Thiru Vi Ka Industrial Estate, Guindy,  
Chennai – 600032**E-mail:****[ac.chairman@chola.murugappa.com](mailto:ac.chairman@chola.murugappa.com)****For Employees, customers, vendors****WHISTLE BLOWER COMMITTEE****Members of the Committee**

<b>S No</b>	<b>Designation</b>	<b>Name</b>	<b>Contact details</b>
<b>1</b>	<b>Managing Director</b>	<b>Mr. Ravindra Kumar Kundu</b>	<b>044 4090 7459</b>
<b>2</b>	<b>Chief Financial Officer</b>	<b>Mr. D Arulselvan</b>	<b>044 4090 7676</b>
<b>3</b>	<b>Company Secretary &amp; Chief Compliance Officer</b>	<b>Ms. P. Sujatha</b>	<b>044 4090 7055</b>

**E mail:**

whistleblower@chola.murugappa.com

**ANNEXURE II: PROCESS FLOW (WHISTLE BLOWER POLICY)**



## **ANNEXURE II: PROCESS FLOW (WHISTLEBLOWER POLICY)**

### **IMPROPER PRACTICES**

Serious concerns that would have impact on CIFCL, such as actions (suspected or actual) that:

- ⌚ May lead to incorrect financial reporting;
- ⌚ Are not in line with applicable Company policy;
- ⌚ Involve any instance of bribery, embezzlement or misappropriation;
- ⌚ Amount to unethical behaviour;
- ⌚ Amount to actual or suspected fraud;
- ⌚ Are unlawful or,
- ⌚ Violative of Company's code of conduct, including the Code of Conduct to Regulate, Monitor and Report trading by Insiders in Securities of CIFCL;
- ⌚ Involve leakage of Unpublished Price Sensitive Information
- ⌚ Otherwise amount to serious improper conduct.

### **SAFEGUARDS**

- ⌚ Harassment or Victimization: Harassment or victimisation of the Complainant will not be tolerated and could constitute sufficient grounds for dismissal of the concerned employee against whom such complaint of harassment or victimization is made.
- ⌚ Confidentiality: Every effort will be made to protect the complainant's identity, subject to legal constraints, by all persons who are involved in handling the complaint and those who receive any information in relation to such complaint.
- ⌚ Anonymous Allegations: Complainants must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously WILL NOT BE usually investigated BUT subject to the seriousness of the issue raised the Committee can initiate an investigation.
- ⌚ Malicious Allegations: Malicious, frivolous or baseless allegations by employees would result in disciplinary action.