

WHISTLE-BLOWER POLICY CUM VIGIL MECHANISM

I. INTRODUCTION

Aggcon Equipments International Limited (the “Company”) believes in conducting the affairs of its constituents in a fair and transparent manner by adhering to the highest standards of professionalism, honesty, integrity, and ethical behavior.

The Company has adopted a Whistleblower Policy cum Vigil Mechanism (“the Policy” or “the Code”), which sets forth the principles and standards that govern the conduct of the Company and its employees. Any actual or potential violation of the Code, no matter how minor it may appear, is a matter of serious concern to the Company. Employees play a critical role in identifying and reporting violations of the Code.

The Company is committed to protecting Whistleblowers. Any act of retaliation or intimidation against a Whistleblower is itself a violation of this Policy.”

Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a vigil mechanism:

- Every Listed Company;
- Every other Company which accepts deposits from the public;
- Every Company which has borrowed money from Banks and Public Financial Institutions in excess of Rs. 50 crores.

Further, Regulations, 22 and 4(2)(d)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) mandates every company listed on the Indian Stock Exchanges to inter alia devise an effective whistle blower mechanism enabling stakeholders, including directors, individual employees and their representative bodies, to freely communicate their genuine concerns about illegal or unethical practices. Further, the mechanism should provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

Regulation 46(2)(e) of the SEBI Listing Regulations requires every listed entity to disseminate details of establishment of vigil mechanism/ Whistle Blower policy on its website. Part C of Schedule II read with Regulation 18(3) of the SEBI Listing Regulations empowers the Audit Committee to review the functioning of the whistle blower mechanism.

Accordingly, this Whistle-Blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for Directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

II. PURPOSE

The purpose of this Policy is to provide mechanism for employees and other stakeholders of the Company a platform to report to the management any instances of unethical behavior, actual or suspected, fraud or violation of the Company’s Code of Conduct and Disciplinary Procedure and in exceptional cases approach the Chairman of the Audit Committee. The Company is committed to upholding highest standards of professionalism, honesty, integrity, ethical behavior, moral and legal conduct of business operations. The Policy shall be displayed on the website of the Company. The Audit Committee shall review the functioning of the whistle blower mechanism, at least once in a financial year.

III. SCOPE

This Policy is applicable to all Employees (including directors, interns, probationers, part-time or full-time employees, contract employees, consultants by whatever name called) of the Company including but not limited to investors, business associates, suppliers, service providers, vendors of the Company (hereinafter collectively referred to as “Stakeholders”). All Employees and Stakeholders of the Company

and the Employees and Stakeholders of subsidiary companies are eligible to make protected disclosures under the Policy. This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and aims to provide a platform for Employees and Stakeholders of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, leak of Unpublished Price Sensitive information, etc., in line with the commitment of maintaining highest possible standards in ethical, moral and legal business conduct of the Company. This Policy neither releases Employees or Stakeholders from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

Whistle Blowers should not 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 Chairman of the Audit Committee.

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

- Corruption
- Frauds
- Misuse/ abuse of official position,
- Manipulation of data/ documents,
- Illegal, Immoral or Unethical behavior

Any other act which affects the interest of the Company adversely and has the potential to cause financial or reputational loss to the Company/Promoters or to the Board of the Company.

IV. **TERMS**

- a. **"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 read with Regulation 18 of the SEBI Listing Regulations. The Audit Committee is the binding authority which shall be responsible for assessing, investigating, and deciding on the validity of any Protected Disclosure. It is also the organizational body for advising any further action following the investigation as appropriate.
- b. **"Disciplinary Action"** means any action that can be taken by the Audit Committee on completion of /during the investigation proceedings including but not limited to a warning, imposition of fine, suspension or termination from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- c. **"Employee"** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- d. **Investigators"** mean those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee and includes the auditors of the Company and the police, as applicable.
- e. **"Protected Disclosure"** means a concern raised in good faith that discloses information that may evidence unethical, improper, or illegal activity. Protected Disclosures should be factual and not speculative in nature.
- f. **"Subject"** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- g. **Unpublished Price Sensitive Information" ("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 Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:

- A. financial results;
- B. dividends;
- C. change in capital structure;

D. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and

E. changes in key managerial personnel; F. Any other matter as may be prescribed by the Board or Managing Director and Chief Financial Officer in consultation with the Compliance Officer of the Company.

- h. **“Whistle Blower”** is an individual who makes Protected Disclosure under this Policy, Whistle Blower also includes all Employees and Stakeholders of the Company.

V. ROLE OF A “WHISTLE BLOWER”

- a. The Whistle Blower's role is that of a reporting party possessing reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- b. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities.

VI. ELIGIBILITY

All Employees and Stakeholders of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or its subsidiaries. Any such disclosure shall be made within a reasonable time from the occurrence of the alleged violation. and in any case, not later than six months from alleged occurrence.

VII. DISQUALIFICATIONS

- a. 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.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
- c. Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company would reserve its right to take/recommend appropriate disciplinary action.

VIII. PROCEDURE

1. All Protected Disclosures should be disclosed to the Audit Committee via personal private discussion or in writing and disclosures concerning financial/ accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
The contact details of the Chairperson of the Audit Committee are available at the Company's registered office and can also be obtained from the Human Resources or Compliance Department upon request.
2. If the disclosure is done verbally, it should be captured in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
3. If a Whistle Blower believes in good faith that a rule or one of the principles laid down in the Company's Code of Conduct and Disciplinary Procedure has been or is about to be violated, he or she should inform the Audit Committee of his or her concerns regarding possible illegal act or ethical violation.
4. Any Employee or a Stakeholder, who has any concerns relating to actual or potential illegal or unethical practices inter alia in finance, accounting, internal control, free competition, or the fight against corruption should report his/her concerns under this policy. When in doubt whether an activity or behavior is a violation or not, a Whistle Blower should report the same.
5. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
6. The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure (and not in the Protected Disclosure itself). However anonymous disclosures will be

entertained by Company on case-to-case basis considering the sensitivity and seriousness of the Protected Disclosure.

IX. WHAT TO REPORT

Below are a few examples where non-compliance may be reported. Please do note that this list is only indicative and not exhaustive in nature.

- a. Abuse of authority;
- b. Harassment or Discrimination & Workplace Violence;
- c. Any unlawful act whether Criminal/ Civil;
- d. Forgery or alteration of documents;
- e. Breach of Confidential Information;
- f. Infringement of intellectual property;
- g. Privacy breach;
- h. Financial irregularities, including fraud or suspected fraud or Deficiencies in Internal Control and Check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports;
- i. Corruption and improper transactions;
- j. Improper promotion and improper sales practices;
- k. Conflicts of Interest;
- l. Environmental Health and Safety issues;
- m. Anti-competitive behavior or release of proprietary information;
- n. Theft, misuse of company's assets;
- o. Any Illegal or unethical Practice;
- p. Pursuit of a benefit or advantage in violation of the Company's interest;
- q. Receiving or soliciting gifts and favors from stakeholders;

However, the following matters may be excluded from reporting under this Policy as there are separate forums available to investigate the same.

- r. Personal Grievance;
- s. Dissatisfaction with appraisals and rewards;
- t. Complaints relating to service conditions;
- u. Company policies;
- v. Sexual Harassment (covered separately under the POSH Policy of the Company);

X. INVESTIGATION

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Audit Committee Member/ Chairperson of the Audit Committee of the Company who will investigate/ oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand.

- a. Investigation is a fact-finding and analysis process. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c. The Audit Committee may at their discretion, consider involving external investigators for the purpose of the investigation.
- d. The identity of the Subject(s) and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e. The 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. Investigations will be launched only after a preliminary review which establishes that:
 - i. the alleged act constitutes an improper or unethical activity or conduct, or
 - ii. the allegation is supported by information specific enough to be relevant and falling under one of the parameters of reportable activity set out hereunder.
- g. Subjects shall have a duty to cooperate with the Audit Committee during the Investigation process.
- h. The investigation shall be completed as quickly as possible from the date of receipt of the Protected Disclosure.
- i. The Audit Committee should recommend the corrective actions to the appropriate managers for implementation if need be.

XI. ACCOUNTABILITIES OF WHISTLE BLOWERS

- a. Bring to early attention of the Audit Committee any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- b. Avoid anonymity when raising a concern.
- c. Follow the procedures prescribed in this policy for making a Disclosure.
- d. Co-operate with investigating authorities, maintaining full confidentiality.
- e. Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged Malpractice. It may forward the Subject and important evidence is likely to be destroyed.

XII. DECISION

If an investigation leads the Audit Committee to conclude that an improper or unethical act has been committed, the Committee shall direct the management of the Organization to take such disciplinary or corrective action as it deems fit.

It is clarified that any disciplinary or corrective action initiated against the 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.

XIII. PROTECTION AGAINST RETALIATION AND VICTIMIZATION

- a. 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 Company, as a policy, condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers 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 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 as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- b. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and, recommend suitable action to the management.
- c. The identity of the Whistle Blower shall be kept confidential to the extent possible and as permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Chairman of the Audit Committee (e.g., during investigations carried out by Investigators).
- d. Any other Employee/Associate assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

XIV. REPORTING

- a. The Audit Committee shall submit a report to the Managing Director on a case-to-case basis, about all Protected Disclosures referred to it with results of investigation.
- b. The details of the establishment of the vigil mechanism, the Policy and affirmation that no personnel have been denied access to the Audit Committee will be stated in the section on Corporate Governance of the Annual Report of the Company.

XV. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Organization for a minimum period of seven years.

XVI. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at anytime 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.

ACKNOWLEDGMENT AND AGREEMENT REGARDING THE WHISTLEBLOWER POLICY CUM VIGIL MECHANISM

This is to acknowledge that I, _____, have received a copy of the Company's Whistleblower Policy cum Vigil Mechanism policy ("the Policy"). I understand that compliance with applicable laws and the Company's Code of Conduct and Ethics is important and as a public company, the integrity of its business, its financial information and adherence to other policies is paramount. I further understand that the Company is committed to a work environment free of retaliation for employees who have raised concerns regarding violations of this Policy, the Company's Code of Conduct and Ethics or any applicable laws and that the Company specifically prohibits retaliation whenever an employee makes a good faith report regarding such concerns and in line with the Policy. Accordingly, I specifically agree that to the extent that I reasonably suspect there has been a violation of applicable laws or the Company's Code of Conduct and Ethics, including any retaliation related to the reporting of such concerns, I will immediately report such conduct in accordance with the Company's Policy. I further agree that I will not retaliate against any employee for reporting a reasonably suspected violation in good faith. I understand and agree that to the extent I do not use the procedures outlined in the Policy, the Company and its officers and directors shall have the right to presume and rely on the fact that I have no knowledge or concern of any such information or conduct.

Signature
Employee's Name:
Employee Code:
Date:
