XTRANET TECHNOLOGIES LIMITED

Whistle Blower Policy

The objective of a Whistle Blower mechanism is to provide an avenue to address concerns, in line with the policy of Xtranet Technologies Limited (XTL) to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, as well as timely redressal of concerns and disclosures to build and strengthen a culture of transparency and trust in the company.

Section 177 (9) of the Companies Act, 2013 mandates the following classes of companies to constitute a vigil mechanism –

a) Every listed company;
b) Every other company which accepts deposits from the public;
c) Every company, which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores.

The Whistle Blower Policy ("Policy") of the Company has been approved by the Audit Committee of the Board of Directors of the Company as per the terms of the provisions of Section 177 of the Companies Act, 2013 ("Act"), and Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 4(2)(d)(iv) and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Definitions:

The terms not defined herein below shall have the meaning assigned to them under the Act.

a) **"Audit Committee"** means Audit Committee of Directors of the Company constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013.

b) **"Appropriate Action"** means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of a fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

c) **"Employee"** means every director and employee of the Company (including XTL's Indian subsidiaries, whether working in India or abroad).

d) **"Good Faith"** An Employee or Stakeholder 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 or Stakeholder does not have personal knowledge on factual basis for the communication or where the Employee or Stakeholder knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

e) **"Investigators"** mean those persons authorised, appointed, consulted or approached by the Internal Committee / the Audit Committee for the purpose of investigation into the facts of a case.

f) **"Protected Disclosure,"** means any communication made in good faith that discloses or demonstrates information that may evidence illegal, unethical, or improper behaviour, actual or suspected fraud or improper activity.

g) **"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.

h) **"Whistle Blower"** means an Employee or Stakeholder making a Protected Disclosure under this policy.

i) **"Whistle Officer"** means an officer nominated / appointed by the Internal Committee of the Company.

Scope

a. The Whistle blower's scope is that of a reporting party with 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 other than as requested by the Chairman of the Audit Committee or the Investigators.

c. The Chairman of the Audit Committee will appropriately deal with protected Disclosure, as the case may be.

Eligibility

All Employees and Stakeholders are eligible to make Protected Disclosures under the Policy. The Protected Disclosures should be in relation to matters concerning the Company.

Disclosure

The following issues having adverse impact on business and organizational values can be brought to the notice of Whistle Officer:

- Integrity violation
- Financial irregularities
- Unethical acts/ issues
- Serious Process malfunctioning
- Harassment or Victimisation of individuals or a group

Guiding Principles

To ensure that this policy is adhered to and to assure that the concern will be acted upon seriously, the Company will:

a. Ensure that the Whistle Blower and/or the Whistle Officer is not victimized for doing so.
b. Treat victimization as a serious matter, including initiating appropriate action on such person/s.
c. Ensure complete confidentiality.
d. Not attempt to conceal evidence of the Protected Disclosure.
e. Take appropriate action, if any one destroys or conceals evidence of the Protected Disclosure made / to be made.
f. Provide an opportunity of being heard to the person involved especially to the Subject.

Procedure

a. The Whistle Blower for investigation through letter and / or e-mail should address all Protected Disclosures to the Whistle Officer.

b. The contact details of the Whistle Officer are as under:

'Whistle Officer'
Xtranet Technologies Limited
Z-24, Zone-I, M.P. Nagar, Bhopal – 462 011 (M.P.) India
E-mail – compliance@xtranetindia.com

c. If any Employee other than Whistle Officer receives a Protected Disclosure, the same should be forwarded to the Whistle Officer for further appropriate action. The Employee forwarding such Protected Disclosure must take appropriate care so that the identity of the Whistle Blower is not divulged in the process.

d. Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.

e. Protected Disclosures should be factual. They should not be 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. The Whistle Blower must provide all corroborating evidence as is available to the extent possible, at the earliest, preferably within 30 days of the occurrence of the event.

f. The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Protected Disclosures can also be expressed anonymously. The Whistle Officer shall detach the covering letter, forward only the Protected Disclosure to the Investigators for investigation, and protect the confidentiality of the Whistle Blower, in any other manner.

g. To the extent possible, the complaint or disclosure must include the following:

1. The identity of the Subject, and/or outside party or parties involved;

2. The sector of the Company where it happened (Corporate Office, Plant, Branch Offices, etc.);

h. If initial enquiries by the Internal Committee indicate that the concern has no basis, or it is not a matter for investigation to be pursued under this Policy, it may be dismissed at this stage. The decision shall be documented and communicated to the Whistle Blower.

i. Where initial enquiries indicate that further investigation is necessary, the Internal Committee may take the help of any internal/external Investigators to facilitate the investigation process.

Investigation

a) The Internal Committee, who will investigate/oversee the investigations, will thoroughly and duly investigate all Protected Disclosures reported under this Policy. The Internal Committee may at its sole discretion, consider the involvement of any Investigators for the purpose of investigation and appoint the same.

b) The decision to conduct an investigation is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.

c) The identity of an alleged employee/Department Head will be kept confidential to the extent possible given legitimate requirements of law and the investigation.

d) The alleged employee/Department Head will be informed of the allegations at the outset of a formal investigation, and be given sufficient opportunities for providing inputs during the investigation.

e) The alleged employee/Department Head shall duly co-operate with the Internal Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

f) The alleged employee/Department Head has a right to consult with a person/s of choice, save and except the Internal Committee, Investigators and the Whistle Blower. This may involve representation including legal representation. The alleged employee/Department Head shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

g) The alleged employee/Department Head has 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 alleged employee/Department Head. If he/she is found indulging in any such actions, it will make him/her liable for appropriate actions.

h) Unless there are compelling reasons not to do so, alleged employee/Department Head will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against an alleged employee/Department Head shall be considered as maintainable unless there is good evidence in support of the allegation.

i) The alleged employee/Department Head has a right to be informed of the outcome of the investigation.

j) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure or as soon thereafter as may be possible.

k) In the event Internal Committee or any member of the Audit Committee is the alleged employee/Department Head, he/she will not be part of the investigation of the case in question.

Confidentiality

- The Internal Committee/ Audit committee will keep all dealings with persons who seek their services strictly confidential, except to the extent that the person seeking assistance consents to disclosure for the purpose of the performance of the duties specified. However, the Internal Committee/ Audit Committee may, at their sole discretion, break confidentiality if the physical safety of any person is threatened.

- All information and records compiled by the Internal Committee/ Audit Committee shall be for the use of the Internal Committee/ Audit Committee and for no other purpose than the functions of the office of the Internal Committee/ Audit Committee. Any reports of the Internal Committee/ Audit Committee shall be prepared in a manner that will preserve the right to confidentiality of the persons who have brought matters to the attention of, or provided information to, the Internal Committee/ Audit Committee. Details of specific cases may be disclosed only with the concurrence of such persons.

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 Internal Committee/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

Protection

No unfair treatment will be meted out to an employee by virtue of his/her having reported a disclosure under this policy. As a Policy, the Company condemns any kind of discrimination, harassment, victimization or any other unfair employment practice against the employee.
Complete protection will be given to the Whistle Blower against any unfair employment practice like retaliation, threat or intimidation of termination/ suspension of service, disciplinary action, transfer, demotion, refusal to promotion or the alike including any direct or indirect use of authority to obstruct his right to continue or perform duties. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

Decision

If an investigation leads the Internal Committee to conclude that an improper, illegal or unethical act has been committed, the Internal Committee shall recommend to the management of the Company to take such appropriate corrective action as the management may deem fit. The decision / action taken by the Management shall be final.

Reporting

On conclusion of the investigation process, the Internal Committee shall either:

- In case the Protected Disclosure is proved, accept the findings and recommend to the management of the Company such appropriate action as deemed fit as per Company's procedures and take preventive measures to avoid recurrence of the matter;

- In case the Protected Disclosure is not proved, extinguish the matter; or

- Depending upon the seriousness or the gravity of the matter, may refer the matter to the Audit Committee for carrying out the investigation. On completion of investigation, the Audit Committee shall recommend to the management of the Company to take such appropriate corrective action as the management may deem fit.

The Internal Committee shall report to the Audit Committee on a regular basis about all the Protected Disclosures referred to him, together with the results and finding of the investigations, if any.

Protected Disclosures concerning the Internal Committee

All Protected Disclosures made by the Employees or Stakeholder where the alleged Employee/Department Head is part of the Internal Committee shall be made to the Audit Committee and the provisions of this Policy shall apply *mutates-mutandis* to the Audit Committee instead of the Internal Committee. All Protected Disclosures concerning the Internal Committee shall be addressed to:

Chairperson - Audit Committee
Xtranet Technologies Limited
Z-24, Zone-I, M.P. Nagar, Bhopal – 462 011
(M.P.) INDIA

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 or Stakeholder unless the same is notified to them.

Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in procedure. Such ambiguities / difficulties will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.

REVIEW

The Audit Committee shall review the functioning of the mechanism under this Policy.

DISCLOSURE OF THE POLICY

This Policy shall be made available on the Company's website.

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