

WHISTLE BLOWER POLICY

1. PREFACE

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

2. OBJECTIVE

The Whistle Blower Policy / Vigil Mechanism aims to establish a mechanism to receive complaints relating to disclosure on any allegation of corruption or wilful misuse of power or wilful misuse of discretion, to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Code of Business Conduct and Ethics for the Company’s Board of Directors and Employees, against any employee/public servant and to inquire or cause an inquiry into such disclosure and to provide adequate safeguards against victimisation of the person making such complaint subject to the disclosure or complaint being made in good faith and in reasonable time.

3. SCOPE OF THE POLICY

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

4. DEFINITIONS

- a) “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company in accordance with the provisions of Section 177 of the Companies Act, 2013 and Rules made thereunder, read with relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended from time to time).
- b) “Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- c) “Board” means the Board of Directors of Vels Film International Limited (VFIL).

- d) “Complaint” means an expression of an improper activity, made in writing by any Director or Employee of the Company in conformity with this Policy.
- e) “Complainant” or “Whistle Blower” means a complainant who makes Protected Disclosure under this Policy.
- f) “Competent Authority” means the Chairperson of Audit Committee of the Board of Directors.
- g) “Protected Disclosures” means a bona-fide communication of any improper activity in relation to the matters concerning the Company, raised by a Director/ Employee of the Company through a written communication and made in good faith. The protected disclosure should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

5. WHO CAN MAKE DISCLOSURE

Under the Whistle Blower Policy, any Director on the Board of Vels Film International Limited, employees of the Company can make Protected Disclosure under this Policy.

6. PROCEDURE FOR DISCLOSURE / COMPLAINT UNDER VIGIL MECHANISM

- a) Vels Film International Limited will have the responsibility of keeping the identity of the directors, employee making disclosure as confidential. Hence, the person making any protected disclosure should comply with the following aspects:
- b) The complaint should be in a closed/secured envelope addressed to the Chairman, Audit Committee of Board as under.
The Chairman
Audit Committee of Directors
Vels Film International Limited
No.521/2, Anna Sala,i Nandanam
Chennai 600035
- c) The envelope should be super scribed “Protected Disclosure under the Whistle Blower Policy”. If the envelope is not super scribed and closed, it may not be possible to protect the identity of person making disclosure under this Policy and the complaint will be dealt with as per the normal complaint policy of the organisation.
- d) The complainant should give his/her name and address in the beginning or end of complaint or in an attached letter. Any particulars w.r.t, Name, Address, etc. which may disclose the identity of the complainant shall not be mentioned on the envelope.
- e) Anonymous/pseudonymous complaints shall not be entertained.
- f) The text of the complaint should be carefully drafted so as not to give any details or clue to his/her identity. However, the details of the complaint should be specific and verifiable.
- g) In order to protect identity of the person, the Company will not issue any acknowledgement and the whistle-blowers are advised not to enter into any further correspondence with the company in their own interest. VFIL assures that, subject to the facts of the case being verifiable, it will take necessary action, as provided in the Policy. If any clarification is required, the Company will get in touch with the complainant.
- h) Whistle blower should refrain from sending reminder or seeking further development/ action taken regarding disclosure made by him so as to protect his/her identity.

- i) An employee who knowingly makes false allegations under this Policy, shall be subject to disciplinary action and will not be protected under the Whistle Blower Policy.
- j) The Whistle Blower shall also declare that he / she has not made any complaint on the same subject matter to any outside Authority / Agency or under any other available mechanism provided by the Company.
- k) No action on the complaint shall be initiated in case the identity of the complainant is not provided or the same is found to be false or incorrect.

7. INVESTIGATION

- a) All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/or an outside agency for the purpose of investigation.
- b) The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- c) Complainant(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- d) Complainant(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- e) Complainant(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- f) The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

8. DECISION AND REPORTING

- a) If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem 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.
- b) In case the Complainant is the Chairman of the Board of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- c) If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- d) A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct, the Chairman of the Audit Committee shall be subject to

appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SECRECY / CONFIDENTIALITY

The complainant, Members of Audit Committee and everybody involved in the process shall

- Maintain confidentiality of all matters under this Policy.
- Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- Not keep the papers unattended anywhere at any time
- Keep the electronic mails/files under password.

10. PROTECTION TO WHISTLE BLOWER

Under Whistle Blower Policy, VFIL shall ensure that the person who has made a Protected Disclosure under the Policy or rendered assistance in inquiry under the Policy, is not victimised by initiation of any proceedings or otherwise, merely on raising alarm over an act of corruption, misuse of power or discretion, to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Code of Business Conduct and Ethics for the Company's Board of Directors and Employees. The identity of the Whistle Blower will not be revealed unless the complainant himself has made the details of the complaint either public or disclosed his identity to any other office or authority.

The protection is available provided that:

- i. The disclosure/ complaint have been made in good faith.
- ii. The complainant/ Whistle Blower is not acting for personal gain
- iii. The complainant/ Whistle Blower reasonably believe that information or any allegation contained in the complaint / disclosure, is substantially true.

If the employee raising alarm as whistle blower, is aggrieved by any action on the ground that he is being victimized due to the fact that he had filed a complaint or disclosure, he may file an application before the Chairman, Audit Committee, for seeking redressal in the matter, who shall take such action as deemed fit. However, if the complaint is found to be vexatious or misleading, the Competent Authority may direct proceedings against the complainant.

11. AMENDMENT OF VIGIL/WHISTLE BLOWER POLICY

The Company reserves the 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 and Directors unless the same is notified to them in writing

12. ADMINISTRATION AND REVIEW OF THE POLICY

The Managing Director shall be responsible for the administration, interpretation, application and review of this policy. The Managing Director shall also be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

13. RESPONSIBILITY FOR IMPLEMENTATION

The Audit Committee the Company, shall have the responsibility for overseeing the Vigil Mechanism in Vels Film International Limited.

14. PUBLICITY ON WEBSITE

This Whistle Blower Policy shall be placed on website and circulated through intranet for awareness among employees of the Company.