

# Auckland International Ltd.

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## **VIGIL MECHANISM FRAMEWORK/WHISTLE BLOWER POLICY:**

### **1. Preface**

- 1.1 Auckland International Limited believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has adopted the Code of Conduct ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. There is also provision under the Code requiring employees to report violations. Thus, this mechanism is an extension of the Code which assigns further power and responsibility to the employees/Directors to make all relevant disclosures to the concerned authority so that necessary disciplinary action could be taken in this context.
- 1.2 The Company is committed to develop a culture in which every employee feels free to raise concerns about any poor or unacceptable practice and misconduct.
- 1.3 The Ministry of Corporate Affairs vide Notification dated 27.03.2014 has brought into effect the provisions of Section 177(9) of the Companies Act, 2013 which mandates every Listed Company to establish a Vigil Mechanism within the Organisation for its directors and employees to report genuine concerns to the Senior Managerial personnel so that necessary action could be taken in this regard.
- 1.4 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter-alia also provides, as a non-mandatory requirement, for all listed companies to establish a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud/corruption or violation of the Company's code of conduct or ethics policy.
- 1.5 Accordingly this Vigil Mechanism framework/Whistle Blower Policy has been formulated in terms of the provisions of both Section 177(9) of the Companies Act, 2013 and Clause 49 of the Listing Agreement as well. It aims to protect employees wishing to raise a concern about any irregularities within the Company and provide a mechanism for employees of the Company to approach the Senior Managerial personnel of the Company or in exceptional cases the Audit Committee Chairman.
- 1.6 However, the Policy does not relieve employees of the Company from their duty of maintaining confidentiality in the course of their work.

### **2. Definitions**

The definitions of some of the key terms used in this Policy are given below.

- 2.1 "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 Clause 49 of the Listing Agreement with the Stock Exchanges.
- 2.2 "Company" means Auckland International Limited.
- 2.3 "Corruption" includes -
- (i) any conduct whereby, in return for a gratification, a person does or neglects from doing an act in contravention of his public duties;
  - (ii) an agreement between two or more persons to act or refrain from acting in violation of a person's duties for profit or gain.
- 2.4 "Code" means Auckland International Limited's Code of Conduct.
- 2.5 "Disciplinary Action" means any action that can be taken as per the provisions of the Company's Code of Conduct.
- 2.6 "Employee" means every employee of the Company including the Directors in the employment of the Company.
- 2.7 "Exceptional cases" include the cases where the Whistle Blower/Vigilant Employee does not agree with the findings of the Whistle Officer/Vigil Officer or the cases where the protected disclosure under the policy is made against the Board level executives.
- 2.8 "Fraud" means willful act intentionally committed by an individual(s)-by deception, suppression, cheating or any other fraudulent or any other illegal means thereby causing wrongful gain(s) to self or any other individual(s) and wrongful loss to other(s). Many a times such acts are undertaken with a view to deceive/ mislead others leading them to do or prohibiting from doing a bonafide act or take bonafide decision which is not based on material fact.
- 2.9 "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may be unethical or illegal.
- 2.10 "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.
- 2.11 "Vigilant Employee"/"Whistle Blower" means an Employee making a Protected Disclosure under this Policy.
- 2.12 "Vigilance Officer"/"Whistle Officer" means an officer nominated by Competent Authority to conduct detailed investigation under this policy.

### **3. Scope of the Policy**

- 3.1 This framework/Policy applies to disclosure of any unethical, illegal activities or behaviour, fraud, corruption, violation of Auckland's Code of Business Conduct and Ethics for Board Members and Senior Management personnel by the Directors and employees of Auckland and any other policy or the rule for behaviour or conduct implemented by the Company.

- 3.2 The Vigilant Employee/Whistle Blower's role is that of a reporting person with reliable information. They are not required or expected to act as investigators or finder of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- 3.3 The Vigilant Employee/Whistle Blower will not conduct any investigation on his/her own, nor will he/she have a right to participate in any investigative activities other than as requested by the Vigilance Officer/Whistle Officer.
- 3.4 Protected Disclosure will be appropriately dealt with by the Senior Management or the Chairman of the Audit Committee of Directors as the case may be.

#### **4. Act(s) covered**

The following are some of the acts which constitute unethical/illegal behaviour/activities, fraud/corruption, violation of the Code of Business Conduct and Ethics for Board Members and Senior Management of Auckland:

- (a) Where Subject demands and/or accepts indulgence other than legal remuneration in respect of an official act or for using his/her influence with any other official.
- (b) Where Subject obtains for himself or for any other person valuable thing or pecuniary advantage, without consideration or by corrupt or illegal means or by abusing his position as an employee of the Company.
- (c) Cases of misappropriation, forgery or cheating or other similar criminal offences by Subject.
- (d) Gross or willful negligence by Subject.
- (e) Blatant violations of systems and procedures by Subject.
- (f) Any undue/unjustified delay in disposal of a case by Subject.
- (g) Any matter arising out of implementation of Personnel policies, Rules, Regulations, Decisions and those relating to the Code of Conduct.

#### **5. Eligibility**

All Employees/Directors of the Company are eligible to make Protected Disclosures under the Policy.

#### **6. Disqualifications**

- 6.1 The genuine Vigilant Employees/Whistle Blowers will not only be accorded with complete protection from any kind of unfair treatment as herein set out but also any abuse of this protection will warrant disciplinary action.
- 6.2 Protection under this Policy would not necessarily mean protection from disciplinary action arising out of allegations made by a Vigilant Employee/Whistle Blower which are found to be false or bogus or with a mala-fide intention.
- 6.3 Vigilant Employees/Whistle Blowers, making Protected Disclosures, which on investigation are found to be mala-fide, baseless or reported otherwise

than in good faith, may be disqualified from reporting further Protected Disclosures under this Policy. Further, the Vigilance Officers/Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action against such Vigilant Employees/Whistle Blowers.

## **7. Procedure of Reporting**

7.1 The 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 a legible handwriting in English or Hindi.

7.2 All Protected Disclosures should be addressed to the Vigilance Officers/Whistle Officers by the Vigilant Employees/Whistle Blowers in a closed/secured envelope and should be superscribed "Protected Disclosure under the Vigil Mechanism Framework/Whistle Blower Policy", as soon as possible, at the following address:

Vigilance Officer/Chairman, Audit Committee - Auckland International Limited; P O Jagatdal, North 24 Pgs, West Bengal - 743125.

E mail Id- [auckland@vsnl.net](mailto:auckland@vsnl.net)

7.3 The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Vigilant Employee/Whistle Blower such as his/her name and address. Vigilance Officer/Chairman of Audit Committee shall detach the covering letter which would be kept under safe custody and forward the Protected Disclosure to concerned Officers/ Head Of Departments. The Board shall be the competent authority to appoint a suitable Vigilance Officer/Whistle Blower.

7.4 The 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 necessitate a preliminary investigative procedure. The Company shall not entertain anonymous/pseudonymous disclosures.

7.5 In order to protect identity of the Vigilant Employee/Whistle Blower(s), the Company will not issue any acknowledgement and they are advised not to enter into any further correspondence with the Company in their own interest.

7.6 In case the Company finds the complaint to be motivated or vexatious, it shall be at liberty to take appropriate steps.

7.7 Apart from making Protected disclosures in writing, Vigilant Employees/Whistle Blowers must have direct access to the Vigilance Officers/Chairman, Audit Committee so that no delay in the process of convey of protected disclosure is made.

7.8 On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ CEO / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. 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 Vigilance and Ethics Officer / Chairman/ CEO for processing the complaint
  - e) Findings of the Audit Committee
  - f) The recommendations of the Audit Committee/other action(s).
- 7.9 The Audit Committee, if it deems fit, may call for further information or particulars from the complainant.

## **8. Investigation**

- 8.1 All Protected Disclosures reported under this Policy will be thoroughly investigated by the Vigilance Officers/Whistle Officers of the Company who will investigate / oversee the investigations under the authorization of the Competent Authority.
- 8.2 The decision to conduct an investigation into a Protected Disclosure by itself is not an acceptance of the accusation by the Authority and is to be treated as a neutral fact-finding process because the outcome of the investigation may or may not support the conclusion of the Vigilant Employee/Whistle Blower that an improper or unethical act was committed.
- 8.3 The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of the investigation.
- 8.4 Unless there are compelling reasons not to do so, Subjects will be given reasonable opportunity to be heard during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- 8.5 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.
- 8.6 Subjects shall have a duty to co-operate with the Vigilance Officer/Whistle Officer/ Audit Committee during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- 8.7 Subjects shall have right to access any document/ information for their legitimate need to clarify/defend themselves in the investigation proceedings.
- 8.8 Subjects shall have a responsibility not to interfere in the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- 8.9 Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

8.10 In case of allegations against subject are substantiated by the Whistle Officer in his report, the Competent Authority shall give an opportunity to Subject to explain his side.

8.11 The investigation shall be completed normally within 90 days of the receipt of the Protected Disclosure and report to the Competent Authority shall be submitted within 10 days of completion of investigation.

## **9. Protection**

9.1 The Vigilant Employee/Whistle Blower must not be subjected to any unfair treatment 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 Vigilant Employees/Whistle Blowers. Therefore Complete protection will be given to such persons against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion.

9.2 No direct or indirect use of authority to obstruct the Vigilant Employee's/Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure be made by the subject or any senior level executive taking undue advantage of his position. The Company will take steps to minimize difficulties, which the Vigilant Employee/Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Vigilant Employee/Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for him/her to receive advice about the Procedure, etc.

9.3 The identity of the Vigilant Employee/Whistle Blower shall be kept confidential to the extent possible and permitted under law. Vigilant Employees/Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Vigilance Officer(s)/Whistle Officer(s)/Audit Committee.

9.4 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.

9.5 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Vigilant Employee/Whistle Blower.

9.6 If any person is aggrieved by any action on the ground that he/she is being victimized due to the fact that he/ she had filed a complaint or disclosure, he/she may file an application before the Chairman, Audit Committee seeking redressal in the matter, wherein the Chairman, Audit Committee may give suitable directions to the concerned person or authority.

## **10. Investigators**

a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Vigilance Officers/Chairman, 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.

**11. Decision**

- 11.1 If an investigation leads the Competent Authority or the Audit Committee as the case may be to conclude that an improper or unethical act has been committed, the Competent Authority or the Audit Committee shall recommend to the appropriate disciplinary authority to take appropriate disciplinary or corrective action.
- 11.2 The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 11.3 In case the Subject is the Chairman/CEO 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 it deems fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 11.4 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.
- 11.5 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

**12. Reporting of the outcome of the Investigation**

The Outcome of the investigation and any disciplinary or corrective action initiated against the subject would be informed to the Vigilant Employee/Whistle Blower. If he/she does not agree with the findings of the Vigilance Officer/Whistle Officer, he/she is permitted to approach the Audit Committee of the Company for inviting its attention on the concern raised by him/her.

**13. Communication**

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board of the Company.

**14. Review of functioning of the Mechanism by Audit Committee**

A quarterly report about the functioning of the Vigil Mechanism/Whistle Blower Mechanism together with the results of investigations, if any shall be placed before the Audit Committee in every Quarter.

**15. Retention of documents**

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

**16. 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 and Directors unless the same is notified to them in writing.