



GATI-KINTETSU EXPRESS PVT LTD

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VIGIL MECHANISM

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1. Purpose of Vigil Mechanism Policy:

- A. As a company, Gati - Kintetsu Express Pvt Ltd (the "Company" or "GATI-KWE") is committed to the integrity of its financial information which is relied upon by its shareholders, and other stakeholders.
- B. In compliance with Section 177(9) and other applicable provisions of the Companies Act, 2013, the Audit Committee of the Company is committed to adopting procedures to receive and address any concern or complaint regarding questionable accounting or auditing matters, internal accounting controls, disclosure matters, reporting of fraudulent financial information to our shareholders, any government entity or the financial markets, or any other company matters involving fraud, Director/s and / or employee misconduct, illegality or health and safety and environmental issues, which cannot be resolved through normal management channels.
- C. Employees of the Company, customers, and/or third-party intermediaries such as vendors, agents and consultants may use the procedures set out in this Vigil Mechanism Policy (the "Policy") to submit confidential and/or anonymous complaints. This Policy allows for disclosure by employees, customers and/or third-party intermediaries of such matters internally, without fear of reprisal, discrimination or adverse employment consequences, and also permits the Company to address such disclosures or complaints by taking appropriate action, including but not limited to, disciplining or terminating the employment and/or services of those responsible for such diligent acts besides even recommending initiating appropriate other actions. The Company will not tolerate any retaliation against any employee, customer and/or third party intermediary for reporting in good faith, any inquiry or concern.
- D. While, the purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. The Company has adopted the GATI Code of Conduct ("the Code"), which lays down the principles and standards that shall govern the actions of the Company, its directors and 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. This Policy protects employees, customers and/or third-party intermediaries, wishing to raise a concern about serious irregularities within the Company.
- E. The Policy neither releases employees, customers and/or third-party intermediaries 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 or vendetta.

Accordingly, this Policy has been formulated with a view to provide a mechanism for directors, employees, customers, and/or third-party intermediaries such as vendors, agents and consultants, etc., of the Company to report to the management of the Company through the Internal Auditor.

2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

a. **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177, Chapter XII of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.

b. **"Director"** means every director (whether executive or non-executive) on the Board of the Company and includes a Director under the provisions of the Companies Act, 2013.

b. **"Employee"** means every employee of the Company (whether working in India or abroad), including the Directors / Managers in the employment of the Company.

c. **"Code"** means the GATI Code of Conduct.

d. **"Investigators"** mean any person/s authorized, appointed, assigned or nominated or consulted or approached by the Chairman of the Audit Committee in connection with a reported event and / or includes the Internal / Statutory Auditors of the Company and the police.

"Personnel" means any employee, director, officer, customer, contractor and/or third-party intermediary engaged to conduct business on behalf of the Company, such as agents and consultants.

e. **"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper or fraudulent or non-integrity issues / activity.

"Questionable Accounting or Auditing Matters" include, without limitation, the following:

- i. fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company; or
- ii. fraud or deliberate error in the recording and maintaining of financial records of the Company; or
- iii. deficiencies in or non-compliance with the Company's internal accounting controls; or
- iv. misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- v. Deviation from full and fair reporting of the Company's financial condition.

"Reportable Matters" means Questionable Accounting or Auditing Matters (defined below), and/or any other Company matters involving abuse of authority, breach of Code, fraud, bribery, corruption, employee misconduct, illegality, health & safety, environmental issues, wastage/misappropriation of Company funds/assets and any other unethical conduct.

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. **“Whistle Blower”** means as any Personnel who has or had access to data, events or information about an actual, suspected or anticipated Reportable Matter within or by the organisation, and, whether anonymously or not, makes or attempts to make a deliberate, voluntary and protected disclosure or complaint of organisational malpractice.

3. Scope

a. This Policy will be an extension of the Code. The Whistle Blower’s role 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. Protected Disclosure will be appropriately dealt with by the Internal Auditor or the Chairman of the Audit Committee, as the case may be.

4. Eligibility

All directors, employees, customers, and/or third-party intermediaries such as vendors, agents and consultants 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, Associate Companies or amongst its group companies.

5. Coverage of the Mechanism

5.1 The Policy includes Questionable Accounting or Auditing Matters and events which have taken place/ suspected to take place involving:

- i. Abuse of authority;
- ii. Negligence causing substantial and specific danger to public health and safety;
- iii. Manipulation of Company data / records / information;
- iv. Financial irregularities, including fraud, or suspected fraud;
- v. Criminal offence;
- vi. Perforation of confidential/propriety information;
- vii. Deliberate violation of law/regulation;
- viii. Wastage/misappropriation of Company funds/assets;
- ix. Breach of Code or internal policy or procedures;
- x. Any other unethical, biased, favored, imprudent event, integrity issues, etc.

5.2 The Policy should not be abused or treated as an alternative mechanism to resolve issues / concerns / queries instead of invoking laid down internal redressal mechanism or be a route for raising malicious or groundless allegations against colleagues.

6. 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 the Policy would not mean protection from disciplinary action arising out of false motivated or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.

7. Procedure

a. All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee through the Internal Auditor of the Company for investigation.

b. In respect of all other Protected Disclosures, those concerning the employees at the levels of Vice Presidents and above should be addressed to the Chairman of the Audit Committee of the Company through the Internal Auditor and those concerning other employees should be addressed to the Internal Auditor of the Company.

c. The contact details of the Internal Auditor and the Chairman of the Audit Committee are as under:

Head - Internal Audit

Plot No. 20, Survey No. 12
Kothaguda, Kondapur
Hyderabad - 500 084

Chairman of the Audit Committee:

New #5, Jeevarathnam Nagar
2nd street, Adyar, Chennai – 600 034.

d. If a protected disclosure is received by any executive of the Company other than Chairman of Audit Committee or the Internal Auditor, the same should be forwarded to the Company's Internal Auditor for further appropriate action under the Policy. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.

e. Protected Disclosures should preferably 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, Hindi or in any vernacular language.

f. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee / Internal Auditor, as the case may be, shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.

g. 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.

h. For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/her identity in the covering letter forwarding such Protected Disclosure.

8. Investigation

a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Internal Auditor / Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee.

b. The Internal Auditor / Chairman of the Audit Committee may at his discretion, consider involving any Investigators for the purpose of investigation.

c. The decision to conduct an investigation taken up by the Internal Auditor / Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.

d. The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

e. 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. Subjects shall have a duty to co-operate with the Internal Auditor / Chairman of the Audit 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. .

g. Subjects have a right to consult with a person or persons of their choice, other than the Internal Auditor / Investigators and/or members of the Audit Committee and/or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

h. Subjects have 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 Subjects.

- i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- j. Subjects have a right to be informed of the outcome of the investigation. 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.
- k. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

9. Protection

- 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 Internal Auditor / Chairman of the Audit Committee/Head-HR, 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 permitted under law.
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

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 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. Investigations will be launched only after a preliminary review by the Chairman of the Audit Committee as the case may be, which establishes that:

- i. the alleged act constitutes an improper or unethical activity or conduct, and
- ii. the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or conduct.

11. Decision

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 the Chairman of the Audit Committee 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.

12. Reporting

The Internal Auditor shall submit a monthly report to the Company Secretary of the parent company, who acts as the Secretary to the Audit Committee (hereinafter referred to as Vigil Mechanism Report or VMR). The Internal Auditor shall include in the VMR the following:

- i. collate the entire data on all such reported events;
- ii. action taken against such reported events;
- iii. point out the process failures;
- iv. remedial steps put in place for prevention of recurrence of such events; and
- v. any other information / details, which the Internal Auditor finds appropriate to report to the Audit Committee of the Company.

13. 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 eight years.

14. Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reasons, whatsoever and shall be binding on the Directors and the Employees of the Company on the date the same is displayed on www.gatikwe.com.
