



API HOLDINGS LIMITED

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

Policy Name	VIGIL MECHANISM AND WHISTLE BLOWER POLICY
Version Number	1
Effective Date	28 th October 2021
Approved By	Board vide meeting dated 28 th October 2021

Vigil Mechanism and Whistle Blower Policy

Preamble

API Holdings Limited (“**Company**”) believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Any action by the concerned stakeholder of the Company which undermines the ethical fabric would be a matter of serious concern for the Company. The Company is committed for developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct or violation of law in force.

The Company has adopted a code of conduct for directors and senior management personnel, which lays down the principles and standards that should govern the actions of the Company, its Directors, 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.

Sections 177 (9) and 177(10) of the Companies Act, 2013, as amended (“**Act**”) read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and Regulation 4(2)(d)(iv) and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”) require the Company to establish a vigil mechanism by way of Whistle Blower Policy (“**Policy**”), for all the employees and directors to report instances of unethical practices, illegal activities and/or actual or suspected fraud or violation of the Company’s code of conduct or ethics policy. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate cases.

Definitions:

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

- a) “**Alleged wrongful conduct**” shall mean violation of law, infringement of Company’s rules, code of conduct of the Company, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority;
- b) “**Audit Committee**” means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Act and read with Regulation 18 of the Listing Regulations
- c) “**Board**” means the Board of Directors of the Company;
- d) “**Chairperson**” means the Chairperson of the Audit Committee;
- e) “**Code**” means the Company’s Code of Conduct as adopted or as may be amended from time to time;
- f) “**Company**” means API Holdings Limited;
- g) “**Director**” means a person appointed as the Director on the Board of the Company;
- h) “**Disciplinary 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 fine,

suspension from official duties, or any such action as is deemed to be fit considering the gravity of the matter;

- i) **“Employee”** means every employee of the Company (whether working in India or abroad), including contractual or temporary employees and the Directors of the Company;
- j) **“Good Faith”**: An employee 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 does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false, or frivolous;
- k) **“Investigators”** mean those persons authorised, appointed, consulted or approached by the Company and/ or the Chairperson and includes the statutory or internal auditors of the Company and the police;
- l) **“Stakeholders”** means and includes vendors, suppliers, lenders, customers, business associates, trainee and others with whom the Company has any financial or commercial dealings.
- m) **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity, illegal, inappropriate, and harmful activities to the Company. It should be factual and be capable of being substantiated with evidence and not speculative and be specific to enable proper assessment and redressal;
- n) **“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;
- o) **“Vigilance Committee”** shall be the committee constituted inter alia, for investigation and inquiry of the Protected Disclosure comprising of members viz., Executive Director(s), Chief Financial Officer, Company Secretary, Vigilance Officer and any other member as may be appointed by the Vigilance Committee
- p) **“Vigilance Officer”** shall be the designated officer appointed by the Audit Committee;
- q) **“Whistle Blower”** shall mean an employee, a director, stakeholder and / or any other person (including an artificial person) who makes a Protected Disclosure under this Policy. He / she / it are neither an investigator nor a finder of facts, nor does he/ she determine the appropriate corrective or remedial action that may be warranted;

Purpose / Objective

The purpose of this Policy is to provide a framework to promote a culture of responsible and secure whistle blowing, wherein the Whistle Blower and/or Stakeholders can raise/report any suspected or actual instances of unethical behaviour, actual or suspected fraud or violation of Company's code of conduct.

This Policy has been constituted pursuant to the stated provisions of the Act and rules made thereunder as may be amended from time to time and the Listing Regulations and ensures that the Whistle Blower is provided with adequate safeguards against victimization.

This Policy neither releases any person, directors, stakeholders or any employees (both permanent and on contractual basis) from their confidential obligations in their course of work nor serves as a route to raise allegations with malicious or baseless intentions.

Scope

This Policy is an extension of the Company's Code of Conduct.

This Policy covers actual or suspected malpractice, illegal activities and instances which have taken place/suspected to take place, as indicated, but not limited to the following:

- a) Abuse of authority
- b) Breach of contract
- c) Negligence causing substantial and specific danger to public health and safety
- d) Manipulation or unauthorized use or disposal of company data, records, accounts, or reports.
- e) 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
- f) Any unlawful act whether criminal/ civil
- g) Corruption and Bribery
- h) Insider trading
- i) Inappropriate sharing of company sensitive information
- j) Unfair trade practices and anti-competitive behaviour
- k) Sexual harassment
- l) Pilferage of goods, property or confidential/propriety information
- m) Deliberate violation of law/regulation
- n) Wastage /misappropriation /unauthorised usage /disposal of Company's funds/assets
- o) Demanding and/or accepting gratification
- p) Deliberate violation of Law/Regulations/Rules/Code of Conduct/Policy
- q) Any other unethical, biased, favoured, imprudent event
- r) Any other matter or activity on account of which the interest of the Company is compromised
- s) Obtaining a favour/ valuable thing without consideration or for inadequate consideration from a person with whom the Company may have official dealings; and

- t) Obtainment of pecuniary benefits for self or any other person by corrupt or illegal means or abusing of position and other matters or activity on account of which the interest of the Company is compromised.

However, this Policy neither releases Employees/ Director/ any other person associated with the Company from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/ or colleagues in general. Further, it should not use as a route for taking up a grievance about a personal situation.

The Policy should not be used for raising malicious or unfounded allegations against colleagues or superiors. The above should be supported by proper evidence and reliable information. Care should be taken not to indulge in baseless allegation and should not be used in place of the Company's grievance procedures.

Any Employee and/or Director, knowingly hiding information in any form regarding any unethical practice/activities/behaviour in one's workplace will also constitute unethical practice on the Employee/Director's part.

Eligibility

All the Employees, Directors 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 to any other related company in the group or the concerned employees or stakeholders.

Guiding Principles

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

- Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so.
- Treat victimization as a serious matter, including initiating disciplinary action, if required, on such person(s).
- Ensure complete confidentiality.
- Not attempt to conceal evidence of the Protected Disclosure.
- Take disciplinary action if anyone destroys or conceals evidence of the Protected Disclosure made/to be made.
- Provide an opportunity of being heard to the persons involved especially to the Subject.
- Disclosure in writing to be sent/ handed over in a sealed cover to the Vigilance Officer or the Chairperson.

Anonymous allegation

Whistle Blower must put his/her name to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Protected Disclosures expressed anonymously will ordinarily NOT be investigated.

Role of Whistle Blower

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.

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 Vigilance Officer or the Vigilance Committee or the Investigators or the Chairperson.

Disqualification

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.

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.

Whistle Blowers, who make three (3) 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 and the Vigilance Officer or the Chairperson shall reserve rights to take/recommend appropriate disciplinary action against such Whistle Blower(s).

Procedure

All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairperson for investigation.

In respect of all other Protected Disclosures, a Whistle Blower can raise a concern with the Vigilance Officer and / or the Chairperson by writing a letter or sending an email.

The contact details of the Chairperson and the Vigilance Officer of the Company are as under:

Chairperson – Audit Committee

Address: 9th Floor, Raheja Plaza 1, B-Wing, Opp. R-City Mall, LBS Marg, Ghatkopar West, Mumbai: 400086

Email Id: auditchair@apiholdings.in

Vigilance Officer of the Company

Address: 9th Floor, Raheja Plaza 1, B-Wing, Opp. R-City Mall, LBS Marg, Ghatkopar West, Mumbai: 400086

Email Id: vigilanceofficer@apiholdings.in

If a Protected Disclosure is received by any executive of the Company, the same should be forwarded to the Vigilance Officer or the Chairperson for further appropriate action.

Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should be sent by e-mail or Courier to the Chairperson or the Vigilance Officer as per the contact details as mentioned herein above.

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.

A Whistle Blower must disclose his/her identity, which shall be protected under this Policy.

A Whistle Blower may or may not receive acknowledgement while raising concern.

Vigilance Officer

The Vigilance Officer shall be responsible to manage the Whistle Blower complaints of all the Employees, Directors and the stakeholders and to redress any other compliance or internal issues and shall be primarily responsible, including but not limited to the following:

- a) Ensure that the Policy is being implemented.
- b) Ascertain prima facie the credibility of the Protected Disclosure.
- c) If initial enquiry indicates further investigation is not required, close the issue after documenting the enquiry.
- d) Where further investigation is indicated carry this through (or) by informing the Vigilance Committee if necessary.
- e) Ensure that necessary safeguards are provided to the Whistle Blower.
- f) Providing necessary feedback to the Whistle Blower on the progress of the investigation.
- g) Submit a report to the Audit Committee and the Board on quarterly basis or such other period as may be determined by the Audit Committee and the Board.

Vigilance Committee

The Vigilance Committee may do the independent evaluation and assist in conducting investigation, inquiry and suggesting remedial actions.

Responsibilities of 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 which establishes that:
 - i. the alleged act constitutes an improper or unethical activity or conduct; and
 - ii. either the allegation is supported by information specific enough to be investigated or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

Investigation Process

- a) All Protected Disclosures reported under this Policy will be thoroughly investigated as per the Policy laid down, by the Investigator or the Vigilance Officer or the Chairperson or the Vigilance Committee.
- b) Chairperson may at its discretion, consider involving any Investigators for the purpose of investigation.
- c) The decision to conduct an investigation taken by the Vigilance Officer or the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process.
- d) The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- e) 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.
- f) 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.
- g) Subjects shall have a duty to co-operate with the Vigilance Officer, Audit Committee and any authorised official of the Company authorised by the Vigilance Committee or 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.
- h) Subjects have a right to consult with a person or persons of their choice, other than the Vigilance Officer /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. However, if the allegations against the Subject are not sustainable, then the Company may reimburse such reasonable costs.
- i) 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.
- j) 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.
- k) Subjects have a right to be informed of the outcome of the investigation.
- l) The investigation shall be completed normally within 45 working days of the receipt of the Protected Disclosure.
- m) The Audit Committee, if required, may call for further information or particulars from the Whistle Blower, for the purpose of investigation.

Protection

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 / her 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.

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

All information disclosed during the course of the investigation will remain confidential, except as necessary or appropriate to conduct the investigation or required by applicable law.

Decision and reporting

If an investigation leads to conclude that an improper or unethical act has been committed, the Vigilance Officer may recommend to the Vigilance Committee of the Company to take such disciplinary or corrective action as it 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.

In case the Subject is the Chairperson of the Company, the Chairperson 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. In the event the Chairperson of the Audit Committee has a conflict of interest in relation to a Protected Disclosure received by him, the Chairperson shall recuse himself from the matter and forward such Protected Disclosure to other members of the Audit Committee. The Audit Committee shall then nominate another member of the Audit Committee to exercise the role of the Chairperson as set out in this Policy in relation to such Protected Disclosure. In the event the Vigilance Officer has a conflict of interest in relation to a Protected Disclosure received by him, the Vigilance Officer shall recuse himself/herself from the matter and forward such Protected Disclosure to the Vigilance Committee or the Chairperson.

If the report of the investigation is not to the satisfaction of the Whistle Blower, the Whistle Blower has the right to report the event to the appropriate legal or investigating entity.

A Whistle Blower who makes false allegations of unethical and improper practices or about alleged wrongful conduct of the subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

Conflicts of Interest

Where a Protected Disclosure concerns with the Vigilance Officer or any members of the Audit Committee, then the Vigilance Officer or that member of the Audit Committee shall be prevented from acting in relation to that Protected Disclosure. In case of doubt, the Chairperson of the Board of Directors shall be responsible for determining whether the Vigilance Officer or the member of the Audit Committee must recuse himself or herself from acting in relation to a Protected Disclosure.

Accountabilities – Whistle Blowers

- Bring to early attention of the Company any improper practice that 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 financial loss for the Company;
- Avoid anonymity when raising a concern;
- Follow the procedures prescribed in this Policy for making a Protected Disclosure;
- Co-operate with the Investigators, maintaining full confidentiality;
- The intent of the Policy is to bring genuine and serious issues to the fore, and it is not intended for petty disclosures;
- A Whistle Blower has the right to protection from retaliation; and
- Maintain confidentiality of the subject matter of the Protected Disclosure and the identity of the persons involved in the alleged malpractice/violation. It may forewarn the Subject in case any important evidence is likely to be destroyed.

In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation carried out by the Vigilance Officer, he/she can make a direct appeal to the Chairperson.

Accountabilities – Vigilance Officer, Investigators and the Chairperson

- Conduct the enquiry in a fair, unbiased manner;
- Ensure complete fact-finding;
- Maintain strict confidentiality;
- Decide on the outcome of the investigation;
- Recommend an appropriate course of action - suggested disciplinary action, including dismissal and preventive measures; and
- Minute Investigators' deliberations and document the final report.

Rights of a Subject

- Subjects have a right to be heard and the Vigilance Officer must give adequate time and opportunity for the Subject to communicate his/her say on the matter.
- Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process.
- Subjects have a right to consult with a person or persons of their choice, other than the Investigators 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. However, if the allegations against the Subject are not sustainable, then the Company may see reason to reimburse such costs.

Access to Chairperson of the Audit Committee

The Whistle Blower shall have right to access Chairperson of the Audit Committee directly in exceptional cases and the Chairperson of the Audit Committee is authorized to prescribe suitable directions in this regard.

Communication

A Whistle Blower Policy cannot be effective unless it is properly communicated to Employees, Directors and the Stakeholders. Therefore, this Policy shall be published on the website of the Company.

Retention of documents

The Company shall retain a copy of all Protected Disclosures or complaints or concerns, investigation reports and all relevant documentation thereof. The Audit Committee shall decide the period of retention of all these records, subject to limitations in applicable legislation.

Amendment

The Board, subject to the recommendation of the Audit Committee, if any, shall have 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 Directors, Employees and the Stakeholders unless the same is notified to them via email or otherwise or has been displayed on the website of the Company.

However, any such amendment or modification of this Policy in whole or in part, at any time, not affect the on-going or completed investigations.

Any amendment in the Act and/or Listing Regulations shall mutatis mutandis be deemed to have been incorporated in this policy.

Notification

The new Employees shall be informed about the Policy by the human resources department at the time of induction or orientation program.

Secrecy/Confidentiality:

The Whistle Blower and all the stakeholders involved in the process shall:

- a) Maintain complete confidentiality/ secrecy of the matter.
- b) Not to discuss the matter in any informal/social gatherings/ meetings.
- c) Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
- d) Not to keep the papers unattended anywhere at any time.
- e) Keep the electronic mails/files under password.
- f) If anyone is found not complying with the above, he/she shall be held liable for such Disciplinary Action as is considered fit.

All reports and records associated with Protected Disclosures are considered confidential information and access will be restricted to the Whistle Blower, Vigilance Officer and then Chairperson. Protected Disclosures and any resulting investigations, reports, or resulting

actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at the time.

Administration and review of the Policy

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

Reports

A quarterly status report on the total number of Protected Disclosures received during the period, with summary of the findings of the Vigilance Officer or the Vigilance Committee or the Investigator or the Chairperson and the corrective actions taken will be sent to the Audit Committee of the Company.

Disclosure

The details of establishment of Vigil Mechanism/Whistle Blower Policy shall be disclosed by the Company in the Board's report.

Annual Affirmation

The Company shall annually affirm that it has not denied access by any Directors or Employee or Stakeholders to the Audit Committee and that it has provided protection to Whistle Blower from adverse personnel action. The affirmation shall form part of corporate governance report as attached to the Annual Report of the Company.

Disclaimer: The Company reserves the right to alter, amend or withdraw this Policy either in part or in full based on management's discretion.