

[Year]

**BLUE COAST
HOTELS
LIMITED**

VIGIL MECHANISM POLICY

Whistle Blower Policy and Vigil Mechanism

1. Preface

The Company believes in the conduct of its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel ('the Code') which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel.

Section 177 of the Companies Act, 2013 requires every Listed Company and such class or classes of companies, as prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Further Clause 49 of the Listing Agreement between the Listed Companies and the Stock Exchanges has been recently amended which inter alia provides for a mandatory requirement for all Listed Companies to establish a mechanism called the "Whistleblower Policy" for directors and employees to report concerns of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern of 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. POLICY

In compliance of the above requirements, Blue Coast Hotel Limited (BCHL) being a Listed Company has established a Whistle Blower Policy and Vigil Mechanism in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

3. DEFINITIONS

“Protected Disclosures” –means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow proper assessment of the nature and extent of the concern.

“Subject” means a person or persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

“Vigilance Officer/Vigilance Committee or Committee is a person or Committee of persons, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

“Whistle Blower” is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this Policy as complainant.

4. SCOPE OF THE POLICY

This Policy is the extension of the Company’s Code of Conduct. The Whistle Blower role is that of reporting party with reliable information. They are not required or expected to act as investigators or finders of the fact nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

The Policy shall cover disclosures of any unethical and improper or malpractices and events which have taken place/suspected to take place involving:-

1. Breach of Company’s Code of Conduct
2. Breach of Business integrity and Ethics
3. Breach of Terms and conditions of employment and rules thereof
4. Intentional Financial irregularities, including fraud or suspected fraud
5. Deliberate violation of rules/regulations
6. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment

7. Manipulation of Company data/records
8. Perforation of confidential /proprietary information
9. Gross Wastage/misappropriation of Company funds/assets.

5. ELIGIBILITY

All employees and directors of the Company are eligible to make Protected Disclosures under the Policy in relation to the matters concerning the Company.

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 shall warrant disciplinary action.
- b. Protection from under this policy would not mean protection from disciplinary action arising out of false or bogus allegations made by the Whistle Blower knowing it to be false or bogus with malafide intention.
- c. Whistle blowers who make three or more Protected Disclosures, which have been subsequently found to be malafide, 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 Whistleblowers, the Company/Audit Committee would reserve its right to take /recommend appropriate disciplinary action.

7. PROCEDURE

All Protected Disclosures should be reported in writing by the complainant as soon as possible not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.

The Protected Disclosures should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as "Protected Disclosure under the Whistle Blower Policy" or sent through email with the subject "Protected Disclosures under the Whistle Blower Policy". If the Complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt as normal disclosure.

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 the urgency of a preliminary investigative procedure.

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

The Contact details of the Vigilance Officer are as under:-

Name and Address: -Dr. P S Pritam
Blue Coast Hotels Limited
Corporate Office: - 415-417, Antriksh Bhawan
22, KG Marg, New Delhi-110001

In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgment to the complainants and they are not advised neither to write their name /address on the envelope nor enter into any further correspondence with the Vigilance Officer.

Anonymous/Pseudonymous disclosures shall not be entertained by the Vigilance Officer as it would not be possible to interview the Whistle Blowers.

On receipt of the Protected Disclosure, the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

8. INVESTIGATION

All Protected Disclosures under this Policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/herself by involving any other Officer of the Company/Committee constituted for the same/an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

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.

Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern/interest forthwith and shall not deal with the matter.

9 DECISION & REPORTING

If the investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

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.

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

A complainant who makes false allegations of unethical & 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, procedure and policies of the Company.

10. **CONFIDENTIALITY**

The Complainant, Vigilance Officer, Members of the Audit Committee, the Subject 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 and keep the papers in safe custody.

11. **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. Adequate safeguards against victimization of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under the law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

12. **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

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

13. **COMMUNICATION**

Directors and Employees shall be informed of the Policy by publishing on the notice Board and website of the Company.

14. **RETENTION OF DOCUMENTS**

All Protected Disclosures in writing or documented along with the results of investigations relating thereto, shall be retained by the Company for a period of 5 (Five) years or such other period as specified by any other law in force, whichever is more.

15. **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 Directors and employees unless the same is not communicated in the manner described as above.