

Whistle Blower Policy

1. Objective

Clause-49 of the Listing Agreement of CPCL with the Stock Exchange provides the following non-mandatory Corporate Governance guideline:

“The Company may establish a mechanism for employees to report to the management concerns about the unethical behaviour, actual or suspected fraud or violation of the company’s code of conduct or ethics policy. This mechanism could also provide for adequate safeguards against victimization of employees, who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. Once established, the existence of the mechanism may be appropriately communicated within the organization.”

Chennai Petroleum CPCL Limited (CPCL) endeavours to work against corruption in all its forms, including demanding and accepting bribe, illegal gratification or unjust rewards and appropriate provisions have been incorporated in the Conduct Discipline and Appeal Rules/Standing Orders applicable to employees. ,

SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended vide notification dated 31.12.2018, also provides that the Whistle Blower Policy of the Listed Entity should enable its employees to report instances of leak of Unpublished Price Sensitive Information.

In pursuance with the above objective and the best practices of Corporate Governance, the Board of Directors of CPCL has decided to frame a “Whistle Blower Policy” to ensure greater transparency in all aspects of the CPCL’s functioning, by formulating a procedure for persons to bring to the attention of CPCL, incidents of improper activities without fear of victimization.

2. Definitions

In this Policy unless repugnant to the subject or context of its usage, the following expressions shall carry meanings hereunder assigned to them, namely:

- a) **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the CPCL in accordance with Section 292 A of the Companies Act, 1956 read with clause 49 of the listing agreement with the stock exchange.

- b) **“Bonafide Complaint”** A Complaint shall be deemed to be bona fide unless it is found to be motivated.
- c) **“Complaint”** means an expression of an Improper Activity of any employee or group of employees of CPCL made by a Complainant in writing in conformity with this Policy.
- d) **“Complainant”** means an employee of CPCL who has made a complaint.
- e) **“CPCL”** means Chennai Petroleum Corporation Limited
- f) **“Competent Authority”** means the Functional Director of CPCL and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this Policy in respect of any Region, State, Area or Place.
- g) **“Improper Activity”** means any activity by an employee of CPCL that is undertaken in performance of his or her official duty, whether or not that act is within the scope of his or her employment, and that is in violation of any law or the rules of conduct applicable to the employee, including, but not limited to, corruption, malfeasance, bribery, theft, conversion or misuse of the CPCL’s property, fraudulent claim, fraud or willful omission to perform the duty, or that is economically wasteful or involving gross misconduct, incompetence or gross inefficiency.
- h) **“Investigate”** with its grammatical variations means the investigation of a Complaint conducted by an investigative machinery pursuant to this policy.
- i) **“Investigative Machinery”** means any Department concerned with subject matter of complaint or Internal Vigilance Department
- j) **“Motivated Complaint”** A Complaint shall be deemed to be **“motivated”** if it is found to be deliberately false or motivated by revenge, enmity or mischief or other extraneous considerations.
- k) **“Policy”** means this Whistle Blower Policy.
- l) **“Protected Disclosure”** means a bonafide Complaint of Improper Activity.
- m) **“Suspected employee”** means a employee against or in relation to whom a protected disclosure has been made or evidence gathered during the course of investigation.

- n) **“Victimization”** means any act by which the complainant is victimized for making a Complaint in good faith.
- o) **“Unpublished price sensitive information”** means any information, relating to Chennai Petroleum Corporation Limited or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following :
 - i) financial results ;
 - ii) dividends;
 - iii) change in capital structure;
 - iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;

3. **Essentials of Complaint**

- 3.1 A Complaint shall be in writing, signed by the Complainant and shall bear the identity of the Complainant. Anonymous or pseudonymous Complaints shall not be entertained.
- 3.2 The Complaint shall be in a sealed envelope and addressed to the Competent Authority. If the Complainant believes that there is a conflict of interest between the Competent Authority and the Complainant, the complainant may send the Complaint directly to the Managing Director of CPCL who shall mark the Complaint for further action to such Authority or person as deemed fit.
- 3.3 The Complainant may not be an investigator and hence is not expected to have conducted any independent investigation prior to making the Complaint. The Complainant is, however, expected to have knowledge of the facts on which the Complaint is based and must, therefore, disclose sufficient facts about the existence of Improper Activity by an employee of CPCL in the Complaint. The Complainant must also disclose that the Complaint is not, on the face of it motivated for which the Complainant shall disclose the relationship or dealings of the Complainant with Suspected Employee(s) in the Complaint.

CPCL will not entertain or enquire into any Improper Activity which is the subject matter of an inquiry or order under the Public Servants' Inquiries Act, 1850 or under the Commissions of Inquiry Act, 1952.

- 3.4 The complaint / improper activity may include but shall not necessarily be limited to the following acts :-
- Forgery or alteration of official documents
 - Unauthorised alteration or manipulation of computer files
 - Fraudulent financial reporting
 - Fraud or willful omission to perform duty
 - Pursuit of a benefit or advantage in violation of the Corporation's interest
 - Misappropriation / misuse of Corporation's resources like funds, supplies, or other assets
 - Authorising / receiving compensation for goods not received / services not performed
 - Improper use of authority
 - Release of Proprietary Information
 - Theft of cash / goods / services
 - Harassment
 - Bribery
 - Leakage / misuse of unpublished price sensitive information in violation of CPCL's Insider Trading Code.

4. **Investigation:**

- 4.1 The Competent Authority shall determine whether the circumstances warrant an investigation into the Complaint in the case. If the Competent Authority determines that an investigation is warranted, reason(s) for such determination shall be recorded in writing.
- 4.2 If the Competent Authority is prima facie satisfied that the Complaint warrants investigation of the alleged Improper Activity, Competent Authority will direct appropriate investigating machinery of CPCL to investigate the Complaint.
- 4.3 The investigation shall be fair and objective, and shall be undertaken by a person or persons who have no conflict of interest either with the Complainant or with the Suspected Employee(s).
- 4.4 All employees of CPCL are duty bound to co-operate with the investigator(s) to the extent that their cooperation will not compromise self-incrimination protection afforded under the law.
- 4.5 Suspected Employee(s) will normally be informed of the allegations at the outset of a formal investigation, and will have opportunity for inputs during investigation.
- 4.6 Suspected Employee(s) will not be entitled to any form of representation, including legal representation, during investigation.

- 4.7 The investigation shall be completed within 30 (thirty) days or such extended period as the Competent Authority may permit for reasons to be recorded. The period fixed for the investigation is the essence, since action(s), if any, to be taken on the Complaint will depend on investigation, and speedy action is the essence of this Policy.
- 4.8 The Investigator(s) will submit a report on the investigation to the Competent Authority, which shall mark the completion of the investigation, unless the Competent Authority requires any further investigation into any specific charge(s) or aspect(s), in which event the Competent Authority will specify the charge(s) or aspect(s) on which the further investigation is to be undertaken, and will fix the time within which the further investigation will be completed.
- 4.9 Suspected Employee(s) have the right to be informed of the outcome of the investigation.

5. Confidentiality & Protection

- 5.1 A Complainant of a Protected Disclosure shall be entitled to the following protections:
- (i) To the extent possible within the limitations of the law and requirements of the investigation, the identity of the complainant shall be kept confidential by the Competent Authority, and shall not be disclosed unless such disclosure is necessary for proper investigation. Any such disclosure, if made, for the purpose of a proper investigation shall carry with it a caveat of secrecy and non-disclosure by the recipient, so that any further unauthorized disclosure by such person of the identity of the Complainant shall constitute a breach of the Code of Conduct, applicable to such person; and
 - (ii) Protection of the Complainant against victimization.
- 5.2 Similarly, confidentiality of identity of the Suspected Employee(s) under investigation shall be maintained within the same limitations.
- 5.3 The Complainant will be entitled to information on the disposition of the Complaint in absence of over-riding legal or public interest against such disclosure.

6 Grievances

- 6.1 If the Complainant feels aggrieved with the disposition of his or her Complaint or if the Complainant or Suspected Employee feels that protection which either of them is entitled to has not been provided or has been disregarded, the Complainant or Suspected Employee as the case may be may make a representation in writing of his or her grievance to the Managing Director of CPCL, who will take such action in the matter as the Managing Director considers necessary to redress the grievance.
- 6.2 If the Complainant or Suspected Employee feels aggrieved with the action taken by the Managing Director of CPCL on a representation made under clause 6.1, he/she may make a representation in writing of his or her grievance to the Chairman of the Audit Committee of the Board of Directors of CPCL, who shall take or direct such action on the representation as he shall deem fit. The decision of the Chairman of the Audit Committee of the Board of Directors of CPCL, shall be final and binding on the Complainant and on the Suspected Employee(s)

7. Action

- 7.1 If the Competent Authority is of the opinion that the investigation discloses the existence of Improper Activity which is an offence punishable in law, the Competent Authority may direct the concerned Authority to report the offence(s) to the appropriate law enforcement agency for investigation and/or action.
- 7.2 If the Competent Authority is of the opinion that the investigation discloses the existence of Improper Activity which warrants disciplinary action against suspected employee(s) or any other person(s), the Competent Authority shall report the matter to the concerned Disciplinary Authority for appropriate disciplinary action.
- 7.3 If the Competent Authority is satisfied that the complaint is false, motivated or vexatious, the Competent Authority may report the matter to the concerned Disciplinary Authority for appropriate disciplinary action against Complainant.
- 7.4 The Competent Authority shall take such other remedial action as deemed fit to remedy the Improper Activity mentioned in the Complaint or to prevent the re-occurrence of such Improper Activity.

7.5 If the Competent Authority is of opinion that the investigation discloses that no further action on Complaint is warranted, he shall so record in writing and also inform Complainant in writing.

8. Review

8.1 The Competent Authority shall submit a report of the Complaint, of the investigation conducted, and of the action taken to the Chairman of the Audit Committee of the Board of Directors of CPCL, who shall have power to review any action or decision taken by the Competent Authority.

8.2 All employees of the CPCL shall abide by, obey and be bound to implement any decision taken or direction given by the Audit Committee of the Board of Directors of CPCL under or pursuant to this Policy.

9. Amendment

This Policy can be changed, modified or abrogated at any time by the Board of Directors of CPCL.