

JAMES HOTELS LIMITED

VIGIL MECHANISM

1. PREAMBLE

James Hotels Limited is committed to adhere to the highest standards of ethical, moral and legal principles for the purpose of ensuring efficiency in the conduct of its business operations in a fair and transparent manner. The Company has adopted the Code of Conduct for Directors and Senior Management which lays down the general principles and standards that should govern the actions of the Company and its employees and lays emphasis on adoption of the highest standards of personal ethics, integrity, confidentiality and discipline in dealing with matters relating to the Company. Any actual or potential violation of the code of conduct, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the ethical behavior cannot be undermined.

Section 177(9) of the Companies Act, 2013 requires every listed Company to establish a vigil mechanism for its Directors and Employees to report their genuine concerns.

In compliance with Clause 49 of the Listing Agreement and related provisions of the Companies Act, 2013 and rules made thereunder, the Company has adopted Whistle Blower and Vigil Mechanism Policy for Directors and Employees of the Company. This Vigil Mechanism is meant to serve the purpose of Section 177 of the Companies Act, 2013 as well as “Whistle Blower Policy” under Listing Agreement.

2. OBJECTIVE

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company has established a secured system to enable employees to report their genuine concerns, generally impacting/ affecting business of our Company, including but not limited to improper or unethical behavior/ misconduct/ actual or suspected frauds/ violation of Company's code of conduct.

3. POLICY

The vigil mechanism intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. The policy neither releases employees and performance of the business of the Company. The policy

neither releases employees 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.

No adverse personnel action shall be taken or recommended against an employee or Director in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This protects such employees or Director from unfair termination and unfair prejudicial employment practices.

However, this policy does not protect an employee from an adverse action which occurs independent of his disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this policy.

4. SCOPE :

Various stakeholders of the Company are eligible to make Protected Disclosures under the Policy. These Stakeholders may fall into any of the following broad categories :

- a. Employees of the Company.
- b. Directors of the Company.
- c. Employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location.
- d. Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company.
- e. Customers of the Company.
- f. Any other person having an association with the Company.

A person belonging to any of the above mentioned categories can avail of the channel provided by this policy for raising an issue covered under this policy.

5. Anonymous Allegation :

Whistle blowers must put their names to the allegations made by them because follow-up action and investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily not be investigated.

6. PROTECTION TO WHISTLE BLOWER

- A. If one raises a concern under this policy, he/ she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employees will not be at risk of losing his/ her job or suffer loss in any other manner like 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, as a result of reporting under this Policy. The protection is available provided that :

- a. The communication / disclosure is made in good faith.
 - b. He/ She reasonably believes that information and any allegations contained in it, are substantially true; and
 - c. He/ She is not acting for personal gain.
 - d. Anyone who abuses the procedure will be subject to disciplinary action, as anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.
- B. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and discipline of any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning reporting a matter under this policy.

Any other Employee/ business associate assisting in the said investigation shall also be protected to the same extent as the whistle blower.

7. ACCOUNTABILITIES – WHISTLEBLOWERS

- a. Bring to early attention of the Company any improper practice 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 also financial loss for the Company.
- b. Avoid anonymity when raising a concern.
- c. Follow the procedures prescribed in this policy for making a Disclosure.
- d. Co-operate with investigating authorities, maintaining full confidentiality.
- e. The intent of the policy is to bring genuine and serious issues to the fore and it is intended for petty disclosures. Malicious allegations by employees may attract disciplinary action.
- f. A whistleblower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigations.
- g. Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the subject and important evidence is likely to be destroyed.

8. ACCOUNTABILITIES – INVESTIGATING AUTHORITY

- i) Conduct the enquiry in a fair, unbiased manner.
- ii) Ensure the complete fact- finding.

- iii) Maintain strict confidentiality.
- iv) Decide the outcome of the investigation, whether an improper practice has been committed and if so by whom.
- v) Recommend an appropriate course of action – suggested disciplinary action, including dismissal and preventive measures.
- vi) Minute deliberations and document the final report.

9. APPOINTMENT OF INVESTIGATING AUTHORITY

The power to appoint the investigating authority to investigate the matter raised by the whistle blower rests with the CMD of the Company. He may form a committee or delegate authority to anyone for investigating a particular matter depending upon the seriousness of the matter involved.

10. RIGHTS OF A SUBJECT

- i) Subjects have right to be heard and must be given adequate time and opportunity to communicate his/ her say on the matter.
- ii) 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.

10. MANAGEMENT ACTION ON FALSE DISCLOSURES

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of intimation by him and for legitimate reasons or cause under Company rules and policies.

11. ACCESS TO REPORTS AND DOCUMENTS

All reports and records associated with 'Disclosures' are considered confidential information and access will be restricted to the Whistleblower and the investigating authority. '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 that time.

12. 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 3 years from the date of conclusion of the investigation.

13. REPORTS

A quarterly status report on the total number of complaints received during the period, with summary of the findings of the investigating authority and the corrective actions taken will be sent to the Audit Committee as well as the Board of Directors of the Company.

The contents of this policy will be displayed by the Company on its website.

14. COMPANY'S POWERS

The Company is entitled to amend, suspend or rescind this policy at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy and the applicable law. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance. The Audit Committee shall review the policy and its implementation on regular basis.

All protected disclosures concerning financial or accounting matters should be addressed, in writing, to the CMD of the Company. The contact details of the CMD of the Company are as under :

Mr. Haravtar Singh Arora
Chairman & Managing Director
James Hotels Limited
Block No. 10, Sector – 17A,
Chandigarh.