



IRCTC WHISTLE BLOWER POLICY & VIGIL MECHANISM, 2024

INDIAN RAILWAY CATERING AND TOURISM CORPORATION

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1. PREFACE:

- 1.1 Indian Railway Catering and Tourism Corporation Ltd (the Company) is committed to conducting its affairs in a fair and transparent manner and providing a working atmosphere to its employees where they feel safe in raising concerns about any wrong doings and unacceptable practices which they feel are being followed in the Company. Accordingly, the Company had established a Whistle Blower Policy during 2011 for the Employees and Directors to freely communicate their concerns about illegal or unethical practices with necessary protection mechanism for such whistle blowers in line with the requirement of DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises vide OM dated 14.05.2010 inter-alia provides for establishment of a mechanism for employees to report to the management, concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's general guidelines on conduct or ethics.
- 1.2 'Vigil Mechanism' was further given impetus through various regulations and acts , including the Companies Act, 2013 (the Companies Act), the Whistle Blower Protection Act, 2011 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and SEBI (Prohibition of Insider Trading) Regulations, 2015.
- 1.3 **Section 177 (9) of the Companies Act, 2013** mandates every listed Companies shall establish a vigil mechanism for directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The vigil mechanism so established shall provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The details of establishment of such mechanism shall be disclosed by the company on its website, if any, and in the Board's report., in the report on Corporate Governance in the Annual Report of the Company.
- 1.4 **Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** provides as a mandatory requirement for all listed companies to establish a Whistle Blower Policy for Directors and employees to report genuine concerns.
- 1.5 Further, **SEBI vide recent amendments to Prevention of Insider Trading (PIT) Regulations, 2015** inserted clause 9A(6), which inter-alia provided that the listed company shall have a whistle-blower policy and make employees aware of such

policy to enable employees to report instances of leak of unpublished price sensitive information.

1.6 It would be relevant to note that the Whistle Blower Protection Act, 2011 has necessary jurisdiction over the Central Public Sector Enterprises (CPSEs) with Central Vigilance Commissioner (CVC) as the competent authority. Since this Act being a subject specific piece of legislation with defined jurisdiction over CPSEs, the provisions under this Act shall override the provisions under any other legislations, including the Companies Act and SEBI Listing Regulations. However, necessary rules and regulations under this act are not yet notified. Hence, the CPSEs are required to comply with the applicable provisions under the Companies Act, SEBI Listing Regulations and DPE Guidelines.

1.7 In view of the above, it is proposed to frame and establish a new policy under the nomenclature “IRCTC Whistle Blower Policy, 2024”.

1.8 ‘IRCTC Whistle Blower Policy, 2024’ does not in any way prevents any employee (as defined in following section) or any other person from raising complaints (including PIDPI complaints) as per the mechanism established by CVC. However, similar/ identical complaints are not to be filed with multiple authorities.

2. DEFINITIONS:

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

‘Audit Committee’ means the Committee of Board of Directors of the Company constituted as per the SEBI (LODR) Regulations and the Companies Act, 2013.

‘Board’ means Board of Directors of the Company.

‘CMD’ means the Chairman & Managing Director of the Company.

‘Competent Authority’ means the Chairman & Managing Director of the Company or any Functional Director as may be nominated by CMD under this policy from time to time.

‘Disciplinary Action’ means any action that can be taken on completion of / during the investigation proceedings by the Competent Authority as he deems fit considering the gravity of the matter.

‘Employee(s)’ means an employee(s) as defined in the Conduct, Discipline and Appeal rules of the Company. The term will also include Functional Directors of the Company.

‘Exceptional case’ means a Protected Disclosure concerning the Director(s) of the Company except the Chairman of Audit Committee.

‘Improper Activity’ means any activity by an employee of the Company 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 abuse of authority, breach of contract, manipulation of company data, pilferage of confidential / proprietary information, criminal offence, corruption, bribery, theft, conversion or misuse of the Company’s property, fraudulent claim, fraud or wilful omission to perform the duty, or that is economically wasteful or involving gross misconduct, incompetence or gross inefficiency and any other unethical biased favoured or imprudent act.

‘Investigator(s)’ mean those person(s) authorised, appointed, consulted or approached by the Competent Authority/ the Chairman of Audit Committee in connection with conducting investigation into a Protected Disclosure/ complaint and includes the Chief Vigilance Officer, Employees and Auditors of the Company, external person(s) of eminence and the Police or such other law enforcement authorities.

‘Protected Disclosure’ means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

‘Service Rules’ means Conduct, Discipline and Appeal rules of the Company.

‘Subject’ means a person against or in relation to whom a protected disclosure is made or evidence gathered during the course of an investigation.

‘Unpublished Price Sensitive Information’ means any information, relating to the Company 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 including 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 information; v) changes in key managerial personnel.

‘Victimization’ means punishment or discrimination against the Whistle Blower selectively or unfairly for making a complaint in good faith.

‘Vigilance Angle’ under this policy bears the same meaning as defined by Central Vigilance Commission.

‘Whistle Blower’ means an employee who has made a Protected Disclosure under this policy.

3. OBJECTIVES:

The objective is to:

- Enable Employee(s) to report to the management, concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's general guidelines on conduct or ethics.
- Provide adequate safeguards against victimization of Directors and Employees to avail of the mechanism and to prohibit managerial personnel from taking any adverse personal action against those employees.
- Provide direct access to the Chairman of Audit Committee in exceptional cases.

This neither releases the Directors or Employees from their duty of confidentiality in the course of their work nor can it be used as an option for raising malicious or unfounded allegations on personal grounds.

4. COVERAGE:

The Policy covers unethical and improper practices which have taken place/ suspected to take place involving:

- Abuse of authority.
- Breach of contract.
- Leakage of Unpublished price sensitive information (UPSI) as per SEBI PIT Regulations, 2015.
- Negligence causing substantial and specific danger to public health and safety.
- Manipulation of company data/records.
- 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.
- Any unlawful act whether Criminal/ Civil.
- Pilferation of confidential/propriety information.
- Deliberate violation of law/regulation.
- Wastage/misappropriation of company funds/assets.
- Breach of Company Policy or failure to implement or comply with any approved Company Policy.

Policy should not be used in place of the Company's grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

5. GUIDING PRINCIPLES:

- All employees of the Company are eligible to make "Protected Disclosures".
- Protected disclosures' will be acted upon in a time bound manner.
- Complete confidentiality of the Whistle Blower will be maintained.

- The Whistle Blower and/or the person(s) processing the 'Protected Disclosure' will not be subjected to victimization.
- Evidence of the 'Protected Disclosure' will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.
- 'Subject' of the 'Protected Disclosure' i.e. the Employee against or in relation to whom a protected disclosure has been made, will be provided an opportunity of being heard.
- The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient reasons for concern.
- The Whistle Blower's role is that of a reporting party with reliable information.
- The Whistle Blower is not required or expected to conduct any investigations on his own. The Whistle Blower does not have any right to participate in investigations.
- Protected Disclosure will be appropriately dealt with by the Competent Authority.
- The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons on his written request.
- Genuine Whistle Blowers will be accorded protection from any kind of unfair treatment / victimization. However, any abuse of this protection will warrant disciplinary action against him.
- Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be motivated or malafide or malicious or frivolous, baseless or reported otherwise than in good faith, will be liable for disciplinary action as per the applicable Service Rules.
- Whistle Blowers, who make three 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 Disclosure under this policy.

6. PROCEDURE TO BE FOLLOWED BY WHISTLEBLOWERS:

- 6.1 The Protected Disclosure / Complaint should be submitted in a closed / secured / sealed and should be super-scribed as "***Protected Disclosure under the Whistle Blower policy***". All protected disclosures should be addressed to Chairman & Managing Director of the Company at the following address:

**Chairman & Managing Director,
Indian Railway Catering & Tourism Corporation
Limited 4th Floor, Tower-D, World Trade Centre, Nauroji
Nagar, New Delhi – 110029**

If the envelope is not superscribed and closed / sealed / secured, it will not be possible to provide protection to the whistle blower as specified under this policy.

- 6.2 Protected Disclosures involving or relating to Board Level Executives will be addressed to the Chairman of the Audit Committee at the following address:

**Chairman, Audit Committee
C/o Company Secretary,
Indian Railway Catering & Tourism Corporation Limited
4th Floor, Tower-D, World Trade Centre, Nauroji Nagar,
New Delhi – 110029**

Complainant or Whistle Blower will have direct access to the Chairman of the Audit committee in appropriate or exceptional cases where he or she is of the opinion that complaint cannot be made to the CMD subject to providing a valid justification for the same.

- 6.3 The text of the complaint should be carefully drafted so as not to give any details or clue as to whistle blower identity. The complainant should give her / her name, Employee Number and Location in the beginning or end of complaint or in an attached letter.
- 6.4 Anonymous or pseudonymous protected disclosure shall not be entertained.
- 6.5 Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the whistle blower and should provide a clear understanding of the Improper Activity involved or issue / concern raised.
- 6.6 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 assist for proper assessment of the nature and extent of the wrongdoing and should help in investigation.
- 6.7 In order to protect identify of the person, Competent Authority will not issue any acknowledgment and the whistle blowers are advised not to enter into any further correspondence.

7. INVESTIGATION:

- 7.1 Complaints received in open condition or addressed to multiple authorities will not be considered as Protected Disclosure and will be dealt as a normal complaint.
- 7.2 On receipt of Protected Disclosure, the Competent Authority shall verify / confirm the identity of the Whistle Blower.

- 7.3 Once the identity is confirmed, the identity of the Whistle Blower shall be removed from the body of the protected disclosure and the text of the protected disclosure shall be forwarded to the investigators for investigation.
- 7.4 Where the Competent Authority is prima facie satisfied that the Protected disclosure carries a vigilance angle and warrants investigation of the alleged improper activity, Competent Authority shall refer the Complaint to the Chief Vigilance Officer (CVO) of the Company for investigation and further action as per the guidelines of CVC.
- 7.5 Investigations will be launched only after a preliminary review by the Competent Authority which establishes that;
- ❖ The alleged act constitutes an improper or unethical activity or conduct, and;
 - ❖ The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information but it is felt that the concerned matter deserves investigation.
- 7.6 If the Competent Authority determines that an investigation is not warranted, reason(s) for such determination shall be recorded in writing.
- 7.7 The decision to conduct an investigation taken by the Competent Authority is by itself not to be construed as an accusation and is to be treated as a neutral fact-finding process.
- 7.8 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.
- 7.9 Subjects will normally be informed of the allegations at the outset of a formal investigation and will be given opportunities for providing their inputs during the investigation.
- 7.10 Subjects shall have a duty to co-operate with the Competent Authority or any of the Investigators during investigation to the extent that such cooperation will not compromise self-incrimination protections available under the applicable laws.
- 7.11 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.
- 7.12 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 Subjects have a right to be informed of the outcome of the investigation.
- 7.13 The investigation shall be completed normally within 90 days of the date of receipt of the protected disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.

8. ROLE OF INVESTIGATORS:

8.1 Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority from Audit Committee / Competent Authority when acting within the course and scope of their investigation.

8.2 All Investigators shall perform their role in an independent and unbiased manner. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of professional standards. Investigators are required to conduct a process towards fact-finding and analysis.

9. DECISION:

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Competent Authority or, as the case may be, the Chairman of Audit Committee shall recommend to the Audit Committee for review and forwarding, if felt necessary, to Competent Disciplinary Authority (CDA) to take disciplinary or corrective action as it may deem fit.

10. CONFIDENTIALITY:

The Whistle Blower, Subject, Investigator(s), Member(s) of Audit Committee, the Chairman of Audit Committee, Competent Authority and others connected with a Protected Disclosure shall maintain confidentiality of all matters under this Policy, and they shall disclose/ discuss only to the extent or with those person(s) as required under this policy for completing the process of investigation and keep the papers and other materials in safe custody.

11. PROTECTION:

11.1 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, as a policy, shall ensure that no 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.

11.2 A Whistle Blower may report any violation of the above clause to the Chairman of

Audit Committee, who shall investigate into the same and recommend suitable action to the executive management.

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

11.4 Whistle Blower should not enter into any correspondence with the Competent Authority/ the Chairman of Audit Committee in their own interest. If any further clarification is required, the Whistle Blower will be contacted.

12. COMMUNICATION:

The Directors and the Employees shall be construed to have been given a copy of this Policy by placing the same on the website of IRCTC – Employee Corner-- an intranet platform of the Company.

13. REVIEW AND REPORTING:

A report for the period ended 30th September and 31st March each year about the receipt, disposal and action taken on any complaints under this Policy will be placed before the Audit Committee and Board of Directors. The Audit Committee and Board of Directors shall have power to review any action or decision taken except the cases investigated by Vigilance Department of the Company which are to be dealt as per CVC/ Railway Board Vigilance guidelines/ instructions.

14. RETENTION OF DOCUMENTS:

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

15. AMENDMENT:

This policy can be modified or repealed at any time by the Board of Directors of the Company.
