

1. Preamble :

This policy is formulated to provide opportunity for employees to access in good faith, to the Whistle Blower Committee in case they observe unethical and improper practices or any other wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse personnel action against those employees.

2. Applicability: This policy applies to all permanent employees of the Company.

3. Policy :

- No adverse personnel action shall be taken or recommended against an employee in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct.
- This policy protects such employees 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. Definitions :**4.1. Adverse Personnel Action**

An employment-related act or decision or a failure to take appropriate action by managerial personnel which may affect the employee's employment, including but not limited to compensation, increment, promotion, job location, job profile, Immunities, leaves and training or other privileges.

4.2. Alleged Wrongful Conduct

Alleged Wrongful Conduct shall mean violation of law, infringement of Company's Code of Conduct or ethic policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

4.3. Whistle Blower Committee

Whistle Blower Committee shall mean a 4 member Committee comprising of senior Cross-Functional team. The members of the committee shall be nominated by the Board / MD for a period of 1 year.

4.4. Company means, "Max Hypermarket India Pvt. Ltd."

4.5. Compliance Officer means, "General Manager – Internal Audit" of the Company.

4.6. 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 of 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.

4.7. Managerial Personnel

Managerial Personnel shall include Director, all Executives at the level of Manager and above, who has authority to make or materially influence significant personnel decisions.

4.8. Policy or This Policy means, "Whistle Blower Policy."

4.9. Unethical and Improper Practices

Unethical and improper practices shall mean –

- a) An act which does not conform to approved standard of social and professional behavior;
- b) An act which leads to unethical business practices;
- c) Improper or unethical conduct;
- d) Breach of etiquette or morally offensive behavior, etc.

4.10. Whistle Blower

An employee of the Company who discloses in good faith any unethical & improper practices or alleged wrongful conduct in writing to the "Whistle Blower Committee" or to the Managing Director, in case it involves Managerial Personnel on exceptional cases.

5. GUIDELINES

5.1. Internal Policy & Protection under Policy

- This Policy is an internal policy on disclosure by employees of any unethical and improper practices or wrongful conduct and access to the Whistle Blower Committee or in case it involves Senior Managerial Personnel access to the Managing Director.
- This Policy prohibits the Company to take any adverse personnel action against its employees for disclosing in good faith any unethical & improper practices or alleged wrongful conduct to the Whistle Blower Committee or to the Managing Director. Any employee against whom any adverse personnel action has been taken due to his disclosure of information under this policy may approach the Whistle Blower Committee.

5.2. False Allegation & Legitimate Employment Action

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Whistle Blower Committee 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 information by him and for legitimate reasons or cause under Company rules and policies.

5.3. Disclosure & Maintenance of Confidentiality

An employee who observes or notices any unethical & improper practices or alleged wrongful conduct in the Company may report the same to the Whistle Blower Committee through e-mail addressed to complianceofficer@maxhypermarkets.com or in case it involves Managerial Personnel to the Managing Director. Confidentiality of whistle blower shall be maintained to the greatest extent possible.

5.4. Procedures

- Any employee who observes any unethical & improper practices or alleged wrongful conduct shall make a disclosure to the Whistle Blower Committee or in case it involves Managerial Personnel to the Managing Director as soon as possible but not later than 45 consecutive calendar days after becoming aware of the same.
- Whistle Blower Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, Whistle Blower Committee, if the circumstances so suggest, may appoint a senior executive or a committee of managerial personnel to investigate into the matter and prescribe the scope and time limit therefore.
- Whistle Blower Committee shall have right to outline detailed procedure for an investigation. Where the Whistle Blower Committee has designated a senior executive or a committee of managerial personnel for investigation, they shall mandatorily adhere to scope and procedure outlined by Whistle Blower Committee for investigation.
- The Whistle Blower Committee or officer or committee of managerial personnel, as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.
- A report shall be prepared after completion of investigation and the Whistle Blower Committee shall consider the same.
- After considering the report, the Whistle Blower Committee shall determine the cause of alleged Adverse Personnel action and may order for remedies which may inter-alia include:
 - a) Order for an injunction to restrain continuous violation of this policy;
 - b) Reinstatement of the employee to the same position or to an equivalent position;
 - c) Order for compensation for lost wages, remuneration or any other benefits, etc.
- The decision of Whistle Blower Committee shall be final and binding.
- The Managing Director may inquire in respect of the Whistle Blower Report and after preliminary inquiry, if required, shall report the same to the Whistle Blower Committee.
- If and when the Whistle Blower Committee is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then the Whistle Blower Committee may:
 - a) Recommend to Board to reprimand, take disciplinary action, and impose penalty / punishment order recovery when any alleged unethical & improper practice or wrongful conduct of any employee is proved.
 - b) Recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct

Whistle Blower Policy

Ref. No. : WB/ 010

Version : 01

Release Date : 20th January 2014

Approved By : Managing Director

5.5. Notification

- All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department.
- Every departmental head shall submit a certificate duly signed by him to the Compliance Officer that this policy was notified to each employees of his department.
- The new employees shall be informed about the policy by the HR department and statement in this regard should be periodically submitted to the Compliance Officer.
- This policy as amended from time to time shall be made available at the Web site of the Company.

5.6. Annual Affirmation

- The Company shall annually affirm that it has not denied any personnel access to the Whistle Blower 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.

Approved By
Managing Director