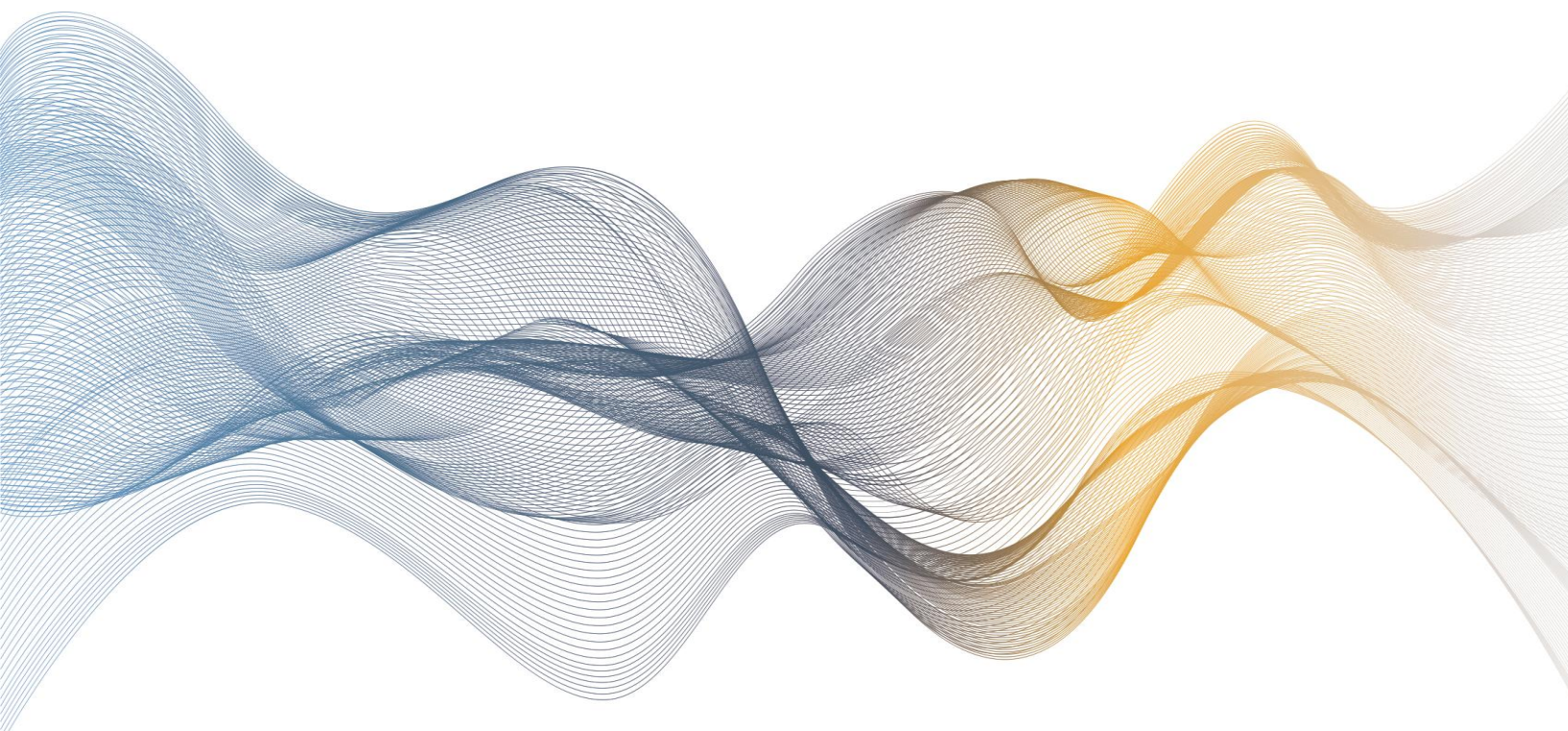


VIGIL MECHANISM/WHISTLE BLOWER POLICY

Company Policy

Human Resources Department



Corporate Office

3rd & 4th floor Chiripal House Shivranjani Cross Road Satellite,
Ahmedabad – 380 015 India

Plant Address

Plot No. 14, Vraj Integrated Textile Park, N.H. No.8, Baroda Highway,
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7/25/2016



Introduction

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the Directors and employees to report genuine concerns in such manner as may be prescribed.

The Company has adopted a Code of Conduct for Directors and senior management personnel ("the Code"), which sets the principles and standards that should govern the actions of the Directors and senior management personnel.

Any actual or potential violation of the code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons.

The policy will assist in alerting the Company in promoting transparent corporate environment and will protect company's reputation. All the stakeholders have an obligation to raise such concerns as soon as possible.

Objective of the Policy

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy.

The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. In order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides adequate safeguards against victimization of Directors and employees to avail the mechanism and also provide direct access to the Chairman of the Audit Committee/CFO/MD in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

Definition

- i. *"Alleged wrongful conduct"* means violation of law, infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority".
- ii. *"Audit Committee"* means a committee constituted by the Board of Directors of the Company in accordance guidelines of Listing Agreement and Companies Act, 2013.
- iii. *"Board"* means the Board of Directors of the Company.

- iv. *“Employee”* means all the present employees and whole time Directors of the Company (whether working in India or abroad).
- v. *“Protected Disclosure”* means a concern rose by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title *“SCOPE OF THE POLICY”* with respect to the Company. It should be factual and not speculative or in the nature of an interpretation/conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- vi. *“Subject”* means a person or group of persons against or in relation to whom a protected disclosure is made or evidence gathered during the course of an investigation.
- vii. *“Whistle Blower”* is a Director or employee who makes a protected disclosure under this policy and also referred in this policy as complainant.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Scope

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/suspected to take place involving:

1. Breach of the 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 laws/regulations
6. Gross or wilfull negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of company data/records
8. Proliferation of confidential/propriety information
9. Gross wastage/misappropriation of Company funds/assets

Eligibility

All Directors and employees of the Company are eligible to make protected disclosures under the policy in relation to matters concerning the Company.

Applicability

This policy is applicable to all Directors, key managerial personnel (KMP), senior management and other employees of Chiripal Poly Films Limited. The policy may also be extended to every stakeholder including consultants, vendors/suppliers, business associates etc. which is directly/indirectly involved on case to case basis and on discretion of the board.

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/Hindi/Gujarati Language.

The protected disclosure 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 disclosure under the Whistle Blower policy". If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

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

Vigilance Officer

Sanjay Singh, Chief Financial Officer
Chiripal House, Chiripal Poly Films Ltd, 3rd Floor, Shivranjani Cross Road, Satellite, Ahmedabad – 15
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E-mail: sanjaysingh@chiripalgroup.com

Investigation

All protected disclosures under this policy will be recorded and thoroughly investigated. The vigilance officer will carry out an investigation either himself/herself or 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.

Decision and Reporting

If an 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 disciplinary

action including termination of employment, initiating criminal case in accordance with Company rules, policies and procedures and laws of the land.

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, procedures and policies of the Company.

Confidentiality

The complainant, Vigilance Officer, Members of 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.

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 unless permitted/required under the law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Disqualification

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

Communication

Directors and Employees shall be informed of the Policy by e-mail or publishing on the notice board or on the website of the Company.

Amendment

The Board of Directors of Chiripal Poly Films can modify this Policy unilaterally at any time. Modification may be necessary, among other reasons, to maintain compliance with the regulations and/or accommodate organizational changes within the Company.