

# **NEWEVER TRADE WINGS LIMITED**

**(Formerly Newever Infrahomes Limited)**

**CIN:L74999WB2012PLC181106**

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**CODE OF CONDUCT AND ETHICS**

**TERMS OF REFERENCE OF COMMITTEES**

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

## **CODE OF CONDUCT AND ETHICS**

### **1. Introduction**

The Code of Business Conduct and Ethics (Code) has been adopted by Newever Trade Wings Limited to comply with applicable law and the rules and regulations of the Stock Exchanges on which the securities of the Company are listed.

The purpose of this code of conduct is to promote conduct of business ethically in an efficient and transparent manner and meeting its obligations to shareholders and all other stakeholders. This code of conduct is also a tool in carrying out our corporate social responsibility in more effective manner. This Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and the external environment in which the Company operates.

This Code covers a wide range of business practices, procedures and serves as a guide to ethical decision-making. This Code does not cover every issue that may arise, but it sets out basic policies to guide directors, officers and employees of the Company and its affiliates. The Directors and Senior Executives shall not be involved in any activity that would have any adverse effect on the Company. Our ambition is to be a leader in our industry and to operate and achieve excellence in everything we do - including our standards of Business conduct. The corporate objectives to be pursued shall be to sustain the competitive edge of the Company.

### **2. Regulatory Compliance**

Every employee or Director and every representative of Newever Trade Wings Limited shall in his/her business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he / she operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code than the standards of the Code shall prevail.

### **3. Corporate Governance Policy**

The Corporate Governance Policy is the apex level instrument guiding conduct of the affairs of the Company and clearly delineates the roles, responsibilities and authorities of the key entities in the governance structure of the Company. This Code forms an integral part of the Company's Governance Policy. The directors, senior management and employees must adhere to the Corporate Governance Policy of the Company.

### **4. Application of this Code**

This Code of Conduct applies to all the directors and senior executives of Newever Trade Wings Limited, Senior Executives shall mean the members of core management team of the Company excluding Board of Directors and shall comprise of all the members of management one level below the executive director, including all functional heads.

We aim to choose as business partners, people with standards and ethical values compatible with our own. If we find ourselves in a business relationship with any one where it is clear that there is a serious incompatibility, which cannot be resolved we will seek to terminate the relationship.

**5. Respect for individual**

Newever Trade Wings Limited's vision is based on inspiring and unleashing creative potential in human assets of the Company. This is possible in an environment where we all respect the rights of those around us. In this direction,

- To treat individuals in all aspects of employment solely on the basis of ability irrespective of race, caste, creed, religion, age, disability, gender, sexual orientation or marital status.
- Not to tolerate racial, sexual or any other kind of harassment.

**6. Honest and Ethical Conduct**

The Directors and senior executives of the Company should act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct. Honest conduct is conduct that is free from any fraud or deception. Ethical conduct is the conduct conforming to the accepted professional standards of conduct and shall include ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

**7. Conflicts of Interest**

The Directors and Senior Executives shall not engage in any activity or enter into any pecuniary relationship which might result in conflict of interest, either directly or indirectly.

A "conflict of interest" occurs when an individual's private interest interferes or appears to interfere with the interests of the Company. The directors and senior executives must act at all times in the Company's best interests and avoid putting themselves in a position where their personal interests conflict or appears to conflict with the interest of the Company. The personal interests will include those of their relatives. Any director or senior executive, who is aware of a conflict of interest or is concerned that a conflict might develop, is required to disclose the matter promptly to the Board of Directors in case of a director and to the Managing Director in case of senior executive.

A conflict of interest may arise where, directly or indirectly:

- (a) an employee, director or a representative is in a position to derive a personal benefit or benefits to any of his relatives by making or influencing decisions relating to any transaction, and
- (b) an independent judgment of the Company's best interest cannot be exercised.

The main areas of such conflict of interest would include the following:

- (i) Financial interest of an employee or a Director or a representative of Newever Trade Wings Limited or their relatives in an actual or potential competitor, supplier, customer, distributor, joint venture or other alliance partner of Newever Trade Wings Limited.
- (ii) An employee or a Director or a representative of Newever Trade Wings Limited conducts business on behalf of his Company or is in a position to influence a decision with regard to his Company's business with a customer of which his relative is a principal officer or representative, resulting in a benefit to him or his relative.

- (iii) Award of benefits such as increase in salary or other remuneration, position, promotion or recruitment of a relative of an employee or a representative of Newever Trade Wings Limited where such an individual is in a position to influence the decision with regard to such benefits.
- (iv) Acceptance of gifts, donations, hospitality and/or entertainment beyond the customary level from existing or potential suppliers, customers or other third parties which have business dealings with the Company.

Notwithstanding that such or other instances of conflict exist due to any historical reasons, adequate and full disclosure by the interested employees should be made to the Company's management with an undertaking not to allow the conflict to continue. The management would then review the matter and take appropriate action.

#### **8. Transparency and Auditability**

All directors, senior management and employees shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems and processes, including as appropriate, segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records. It shall be necessary to voluntarily ensure that areas of operation are open to audit and the conduct of activities is totally auditable.

#### **9. Misuse of Opportunities and Information**

Directors and senior executives owe a duty to the Company to advance the Company's business interest when appropriate. Directors and senior executives are prohibited from taking (or directing to a third party) a business opportunity (relevant to the line of business intended to be pursued by the Company) that is discovered through the use of corporate property, information or position, unless the Company has already been offered the opportunity and turned it down. The directors and senior executives are prohibited from using corporate property, information or position for personal gain and from competing with the Company.

#### **10. Securities Transactions and Confidential Information**

An employee or a Director or representatives of Newever Trade Wings Limited and his immediate family shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about Newever Trade Wings Limited which is not in the public domain and thus constitutes insider information.

An employee or a Director or a representative of Newever Trade Wings Limited shall not use or proliferate information which is not available to the investing public and which therefore constitutes inside information for making or giving advice on investment decisions on the securities of Newever Trade Wings Limited on which such insider information has been obtained.

Such insider information might include the following:

- Acquisition and divestiture of business or business units
- Financial information such as profits, earnings and dividends
- Announcement of new product introductions or developments
- Asset revaluations
- Investment decisions / plans

- Restructuring plans
- Major supply and delivery agreements

### **11. Raising finances**

During the course of employment or dealing with the Company, any information of the confidential nature (whether about Newever Trade Wings Limited, other companies or individuals) that is known to directors or senior executives shall be treated as confidential unless publicly available. Such information should be used only for the purpose of business of the Company.

Newever Trade Wings Limited also respects the rights of others regarding their confidential information. Where information is received from third parties under conditions of confidentiality, the directors and senior executives shall comply with those conditions but no-one should solicit confidential information from third parties without prior authorization.

The use of Company information for personal gain is strictly prohibited. In particular, directors and senior executives or members of their families should not trade in Newever Trade Wings Limited securities when in possession of unpublished price sensitive material.

### **12. Related Party Transactions**

As a general rule, Directors, senior executives and employees of the Company should avoid conducting Company business with a relative, or with a business in which a relative is associated in any significant role. Relatives include Members of Hindu Undivided Family, spouse, siblings, children, parents, step relationships.

If such a related party transaction is unavoidable, consent of Board of Directors of the Company and Audit Committee is required. However in certain cases prior approval of shareholders by special resolution is required. The Company must report all such material related party transactions under applicable accounting rules, Companies Act, 2013, Listing Agreement and SEBI rules and regulations. Any dealings with a related party must be conducted at arm's-length and with no preferential treatment.

### **13. Role and Duties of Independent Directors (ID)**

The need for the ID's aroused due to the need of a strong framework of corporate governance in the functioning of the company. There is a "growing importance" of their role and responsibility. The Act, 2013 makes the role of ID's very different from that of executive directors. An ID is vested with a variety of roles, duties and liabilities for good corporate governance.

The role of an ID is considered to be of a great significance. The guidelines, role and functions and duties and etc are broadly set out in a code described in Schedule IV of the Act, 2013. The code lays down certain critical functions like safeguarding the interest of all stakeholders, particularly the minority holders, harmonizing the conflicting interest of the stakeholders, analyzing the performance of management, mediating in situations like conflict between management and the shareholder's interest and etc.

The code also lays down certain important duties like keeping themselves updated about the company and the external environment in which it operates, not disclosing important and confidential information of the company unless approved by the board or required by law, actively participating in committees of the board in which they are chairperson or members, keeping themselves update and undertaking appropriate induction and refreshing their

knowledge, skills and familiarity with the company, regularly attend the general meetings of the company and etc.

**14. Fair dealing**

The Company does not seek competitive advantages through illegal or unethical business practices. Each director and senior executive should endeavor to deal fairly with the Company's customers, service providers, suppliers, competitors and employees. No director or senior executive should take advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any unfair dealing practice. The Directors and Senior Executives shall immediately bring to the notice of the Board any unethical behavior and actual or suspected fraud.

**15. Protection and proper use of Company Assets**

The assets of Newever Trade Wings Limited should not be misused by employees for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships with customers and suppliers etc.

All directors and senior executives should protect the Company's assets and ensure their efficient use. All Company assets should be used only for legitimate business purposes.

**16. Gifts and Entertainment**

Though business gifts and entertainment are customary in many parts of the world they need to be viewed with caution. The directors and senior executives any accept and offer nominal gifts which are customarily given and are of commemorative nature for special events. Except for above, the Directors and Senior Executives shall neither receive nor offer or make directly / indirectly any illegal payments, gifts or any benefits which are intended to obtain unethical favour.

**17. Wealth Creation**

The Directors and Senior Executives shall be committed to enhance the shareholders worth / value and shall strictly comply with all regulations and laws that govern shareholders rights. The Board shall duly and fairly inform the shareholders all relevant aspects about the Company's business and disclose such information as may be required, from time to time, in accordance with the applicable rules and regulations.

**18. Corporate Social Responsibility**

Newever Trade Wings Limited is committed to serve the community around its area of operations. The Company believes that no organization can survive in isolation and it has a responsibility towards public at large.

**a) Health and Safety**

The Company attaches great importance to a healthy and safe work environment. Newever Trade Wings Limited is committed to provide good physical working conditions and encourages high standards of hygiene and housekeeping. Particular attention should be paid to training of employees to increase safety awareness and adoption of safe working methods, particularly designed to prevent serious or fatal accidents.

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**b) Environment Policies**

The Company believes that commitment to sustainable development is a key component of responsible corporate citizenship and therefore deserves to be accorded the highest priority. Accordingly, the Company is committed to Best Practices in environmental matters arising out of its business activities and expects each business to fully demonstrate this commitment.

**19. Financial and Operational Integrity**

Newever Trade Wings Limited is committed to disclose in its financial statements all the information required to be disclosed under the relevant accounting standards or under any laws or regulations. It is essential to record all the transaction fully and properly in the financial statements.

No record or document shall be false or misleading and no undisclosed or unrecorded account, fund or asset shall be established or maintained. The auditors shall be provided full access to all information and records of the Company.

Newever Trade Wings Limited will not knowingly assist fraudulent activity (for example tax evasion) by others.

**20. Implementation**

Directors and senior executives are accountable for full compliance with this Code of Conduct. Sanctions for breach of this Code shall be determined by the Board of Directors in case of Directors and Managing Director in case of senior executives. Sanctions may include serious disciplinary action, removal from office as well as other remedies, all to the extent permitted by law and as appropriate under the circumstances.

Any actual or possible violation or significant breaches of the Code must be notified to the Board of Directors and Managing Director, as the case may be. The Managing Director shall report to the Newever Trade Wings Limited's Board on the Code's operation and effectiveness along with any significant breach of the Code

**21. Interpretation**

Any question relating to how this Code should be interpreted or applied should be addressed to the Board of Directors/Company Secretary.

## **TERMS OF REFERENCE OF COMMITTEES**

### **AUDIT COMMITTEE CHARTER**

#### **CONSTITUTION**

The audit Committee shall function in accordance with the terms of reference covered under this charter, such additional provisions as stipulated under SME Listing Agreement with Stock Exchange, the Companies Act, 2013 (the Act) and other statutes or any modification or re-enactment thereof and as may be specified by the Board from time to time

#### **ROLE OF AUDIT COMMITTEE**

The Audit Committee is one of the main pillars of the corporate governance system in public companies. Charged with the principal oversight of financial reporting and disclosure, the Audit Committee aims to enhance the confidence in the integrity of the company's financial reports and announcements, the internal control processes and procedures, risk management systems, compliance with the legal and regulatory requirements.

However with the commencement of Companies Act, 2013 the focus of the Audit Committee has shifted specifically on new committee dynamics, financial reporting, risk oversight, oversight and evaluation of performance and effectiveness of the audit process, rotation of the statutory auditor, interaction with the statutory auditor and the internal auditor, oversight and evaluation of internal financial controls, related party transactions, vigil mechanism, scrutiny of inter corporate loans and investments, monitoring of the end use of funds raised through the public offers.

#### **COMPOSITION**

##### **MEMBERS**

As per Section 177 of Companies Act, 2013 and Clause 52 of SME Listing Agreement, the Committee shall consist of a minimum of three directors with independent director forming a majority. Further, all the members of the audit committee should have the ability to read and understand the financial statements (financially literate) and at least one member shall have accounting or related financial management expertise The Company Secretary of the Company shall act as the Secretary of the Audit Committee.

##### **CHAIRMAN**

The Chairman of the Audit Committee will be appointed by the Board of Directors at the time of constitution/reconstitution of the Audit Committee. The members of the Committee may also elect a Chairman amongst themselves. The Chairman of the Audit Committee shall attend the Annual General Meeting of the Company to provide any clarification on the matter relating to audit as may be required by the members of the Company.

##### **PROCEDURES**

##### **MEETING**

The Audit Committee shall meet at least four times in a year and not more than four months will elapse between two meetings



**QUORUM**

The quorum for the purpose of the Committee meeting shall be either two members or one third of the member, whichever is greater, but there should be a minimum of two independent directors present.

**MEETING PROCEEDINGS**

The Committee shall ensure that minutes of all its proceedings are kept and reports of its action and activities are placed at the next meeting of the Board. The Secretary of the committee records the proceedings of the meeting which is then reviewed and approved by the Chairman of the meeting for circulation to other members of the Committee for their comments. The final minutes are noted at the ensuing meeting of the Committee and signed by the Chairman of the meeting.

**TERMS OF REFERENCE**

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to the statutory auditors for any other services rendered by the statutory auditors.
4. Appointment, removal and terms of remuneration of internal auditor.
5. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference, but not restricted to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to the financial statements;
  - f) Disclosure of related parties;
  - g) Qualifications in the draft audit report.
6. Reviewing, with the management, financial statements before submission to the board of directors for their approval, including such review as may be required for compliance with provisions of the listing agreement entered into with the Stock Exchanges;
7. Monitoring the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
8. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
9. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
10. Reviewing management letters / letters of internal control weaknesses issued by the statutory auditors;

11. Discussing with internal auditors on any significant findings and follow up thereon.
12. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
13. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
14. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
15. To review the functioning of the Vigil Mechanism.
16. Evaluation of internal financial controls and risk management systems.
17. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and to carry out any other function statutorily required to be carried out by the Audit Committee as per applicable laws;
19. The Audit Committee shall mandatorily review the following information:
  - a) Management discussion and analysis of financial information and results of operations;
  - b) Approval or any subsequent modification of transaction of the Company with related parties;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses; and
  - e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.”
  - f) Scrutiny of inter-corporate loans and investments.
  - g) Valuation of assets;
  - h) Monitoring of end use of funds of the public offers;

### **CONFIDENTIALITY**

The members of the Audit Committee and all other individuals attending the meeting of the committee should not disclose the information contained in the reports they receive, the content of discussion or confidential information regarding the company which has become known to them in such meeting to any other person other than in course of conducting their normal duties.

## **NOMINATION AND REMUNERATION COMMITTEE CHARTER**

### **CONSTITUTION**

The Nomination and Remuneration Committee shall function in accordance with the terms of reference covered under this charter, such additional provisions as stipulated under SME Listing Agreement with Stock Exchange, the Companies Act, 2013 (the Act) and other statutes or any modification or re-enactment thereof and as may be specified by the Board from time to time.

### **ROLE OF NOMINATION AND REMUNERATION COMMITTEE**

The role of nomination and remuneration committee is to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommends to the board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

### **COMPOSITION**

#### **MEMBERS**

As per Section 178 of Companies Act, 2013 and SME Listing Agreement, the Committee shall consist of a minimum of three non-executive director out of which not less than one-half shall be independent director. The Company Secretary of the Company shall act as the Secretary of the Committee.

The members shall be elected by the Board of Directors of the Company. They hold office until their successors shall be elected or until their earlier death, removal or resignation from the Committee, or termination of their respective mandate as member of the Board of Directors

#### **CHAIRMAN**

The Chairman of the Nomination and Remuneration Committee will be appointed by the Board of Directors at the time of constitution/reconstitution of the Committee. The members of the Committee may also elect a Chairman amongst themselves. The Chairman of the Committee shall attend the Annual General Meeting of the Company to provide any clarification on the matter relating to nomination and remuneration as may be required by the members of the Company.

### **PROCEDURES**

#### **MEETING**

The Nomination and Remuneration Committee is required to meet at least four times in a year and not more than four months will elapse between two meetings.

#### **QUORUM**

The quorum for the purpose of the Committee meeting shall be either two members or one third of the member, whichever is greater, but there should be a minimum of two independent directors present.

#### **MEETING PROCEEDINGS**

The Committee shall ensure that minutes of all its proceedings are kept and reports of its action and activities are placed at the next meeting of the Board. The Secretary of the committee records the proceedings of the meeting which is then reviewed and approved by the Chairman of the meeting for circulation to other members of the Committee for their comments. The final

minutes are noted at the ensuing meeting of the Committee and signed by the Chairman of the meeting.

**TERMS OF REFERENCE**

1. to ensure that our Company has formal and transparent procedures for the selection and appointment of new directors to the board and succession plans;
2. to ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets performance benchmarks, and involves a balance between fixed and incentive pay.
3. to develop and implement a plan for identifying and assessing competencies of directors;
4. to identify individuals who are qualified to become board members, taking into account a variety of factors, including, but not limited to:
  - a) the range of skills currently represented on the board;
  - b) the skills, expertise, experience (including commercial and/or industry experience) and particular qualities that make individuals suitable to be a director of our Company; and/or
  - c) the individual's understanding of technical, accounting, finance and legal matters;
5. to make recommendations for the appointment and removal of directors;
6. ensure that our Company has in place a programme for the effective induction of new directors;
7. to review, on an ongoing basis, the structure of the board, its committees and their inter relationship;
8. to recommend to the Board, the remuneration packages of our Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Directors and Key Managerial Personnel, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
9. to be authorised at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, our Company's policy on specific remuneration packages for Company's Managing / Joint Managing / Deputy Managing / Whole-time / Executive Directors, including pension rights and any compensation payment;
10. to carry out evaluation of every director's performance and recommend to the board his/her appointment and removal based on the performance.
11. Devising a policy on Board diversity;
12. to implement, supervise and administer any share or stock option scheme of our Company; and
13. to attend to any other responsibility as may be entrusted by the Board within the terms of reference."

**CONFIDENTIALITY**

The members of the Nomination and Remuneration Committee and all other individuals attending the meeting of the committee should not disclose the information contained in the reports they receive, the content of discussion or confidential information regarding the company which has become known to them in such meeting to any other person other than in course of conducting their normal duties.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE CHARTER**

### **CONSTITUTION**

The Stakeholders Relationship Committee shall function in accordance with the terms of reference covered under this charter, such additional provisions as stipulated under SME Listing Agreement with Stock Exchange, the Companies Act, 2013 (the Act) and other statutes or any modification or re-enactment thereof and as may be specified by the Board from time to time.

### **ROLE OF SHARE TRANSFER AND STAKEHOLDERS RELATIONSHIP COMMITTEE**

The role of Stakeholders Relationship committee is to consider and resolve the grievances of the security holders of the company and to oversee all the matters relating to share transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by the Company.

### **COMPOSITION**

#### **MEMBERS**

The Committee shall consist of such no. of members as the board may determine from time to time, but not less than three members. The Committee members shall be appointed by the Board The Company Secretary of the Company shall act as the Secretary of the Committee.

#### **CHAIRMAN**

The Chairman of Stakeholders Relationship Committee will be appointed by the Board of Directors at the time of constitution/reconstitution of the Committee. The members of the Committee may also elect a Chairman amongst themselves. The Chairman of the Committee shall attend the Annual General Meeting of the Company to provide any clarification on the matter relating to nomination and remuneration as may be required by the members of the Company.

### **PROCEDURES**

#### **MEETING**

The Stakeholders Relationship Committee is required to meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company

#### **QUORUM**

The quorum for the purpose of the Committee meeting shall be any three members personally present.

**MEETING PROCEEDINGS**

The Committee shall ensure that minutes of all its proceedings are kept and reports of its action and activities are placed at the next meeting of the Board. The Secretary of the committee records the proceedings of the meeting which is then reviewed and approved by the Chairman of the meeting for circulation to other members of the Committee for their comments. The final minutes are noted at the ensuing meeting of the Committee and signed by the Chairman of the meeting.

**TERMS OF REFERENCE**

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of security holders and investor complaints in relation to transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends etc;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares.
4. Issue of duplicate / split / consolidated share certificates;
5. Allotment and listing of shares;
6. Review of cases for refusal of transfer / transmission of shares and debentures;
7. Reference to statutory and regulatory authorities regarding investor grievances;
8. Ensure proper and timely attendance and redressal of investor queries and grievances.
9. To do all such acts, things or deeds as may be necessary or incidental to the exercise of all the above powers.

**CONFIDENTIALITY**

The members of the Stakeholders Relationship Committee and all other individuals attending the meeting of the committee should not disclose the information contained in the reports they receive, the content of discussion or confidential information regarding the company which has become known to them in such meeting to any other person other than in course of conducting their normal duties.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

### **1. PREFACE**

- 1.1. Section 177 of the Companies Act, 2013 requires every listed company to establish a vigil mechanism for their directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2. Under these circumstances, Newever Trade Wings Limited being a Listed Company proposes to establish a Vigil Mechanism and to formulate a policy for the same.

### **2. POLICY OBJECTIVES**

- 2.1. 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 encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy.
- 2.2. 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 against people in authority and / or colleagues in general.

### **3. SCOPE OF THE POLICY**

- 3.1. This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

### **4. DEFINITIONS**

- 4.1. **“Alleged wrongful conduct”** shall mean 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”.
- 4.2. **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Listing Agreement and Companies Act, 2013.
- 4.3. **“Board”** means the Board of Directors of the Company.
- 4.4. **“Company”** means the Newever Trade Wings Limited and all its offices.
- 4.5. **“Code”** means Code of Conduct for Directors and Senior Management Executives adopted by Newever Trade Wings Limited.

- 4.6. **“Employee”** means all the present employees and whole time Directors of the Company (Whether working in India or abroad).
- 4.7. **“Protected Disclosure”** means a concern raised 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.
- 4.8. **“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.
- 4.9. **“Vigilance and Ethics Officer”** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 4.10. **“Whistle Blower”** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

5. **RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES**

- 5.1. Protected Disclosures should be reported in writing by the complainant as soon as possible after the whistle blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.
- 5.2. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy/vigil mechanism”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy/vigil mechanism”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- 5.3. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 5.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer / Chairman of the Audit Committee/ CEO/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 5.5. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ CEO/ Chairman in exceptional cases.
- 5.6. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Managing Director (MD) of the Company and the Protected Disclosure against the MD of the Company should be addressed to the Chairman of the Audit Committee.



- 5.7. On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ CEO / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:
- a) Brief facts;
  - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  - c) Whether the same Protected Disclosure was raised previously on the same subject;
  - d) Details of actions taken by Vigilance and Ethics Officer / Chairman/ CEO for processing the complaint;
  - e) Findings of the Audit Committee;
  - f) The recommendations of the Audit Committee/ other action(s).
- 5.8. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

## **6. INVESTIGATION**

- 6.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- 6.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- 6.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 6.4. Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 6.5. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 6.6. Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 6.7. Subject(s) have a right to be informed of the outcome of the investigations.
- 6.8. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the AC deems fit and as applicable.

## **7. DECISION AND REPORTING**

- 7.1. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that

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.

- 7.2. The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 7.3. In case the Subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 7.4. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 7.5. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

#### **8. SECRECY / CONFIDENTIALITY**

- 8.1. The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
  - 8.1.1. Maintain confidentiality of all matters under this Policy.
  - 8.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
  - 8.1.3. Not keep the papers unattended anywhere at any time.
  - 8.1.4. Keep the electronic mails / files under password.

#### **9. PROTECTION**

- 9.1. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of 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 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. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 9.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 9.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself

has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

9.4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9.5. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

10. **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

10.1. The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

11. **COMMUNICATION**

11.1. A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

12. **RETENTION OF DOCUMENTS**

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

13. **DISCLOSURE**

As per the requirement of Section 177 of Companies Act, 2013, the details of establishment of such mechanism shall be disclosed by the company on its website and in the Board's report.

14. **REVIEW OF FUNCTIONING BY AUDIT COMMITTEE**

14.1. The Audit Committee of the Company shall be responsible to review periodically the efficient and effective functioning of the vigil mechanism.

15. **AMENDMENT**

15.1. The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing