



The Dharamsi Morarji Chemical Company Limited

Whistle Blower Policy / Vigil Mechanism

(Reviewed by the Board on 23.09.2021)



WHISTLE BLOWER POLICY/ VIGIL MECHANISM

I. PREAMBLE:

The Company believes that every employee is a trustee of its stakeholders and must adhere to the Company's Code of Conduct (hereinafter referred to as "the Code") and conduct himself or herself at all times in a professional and ethical manner.

The "Whistleblower Policy/ Vigil Mechanism" encourages Directors and employees (hereinafter referred to as 'employees') to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud or violation that could adversely impact the Company's operations, business performance and I or reputation. The Company will investigate such reported incidents in an impartial manner and take appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld.

It is Company's Policy:

- To create an environment where every employee feels free and secure to report specific incidents of unethical behavior, actual or suspected incidents of fraud or violation of the Company's Code of Conduct;
- To investigate such reported incidents in a fair manner;
- To take appropriate disciplinary action against the delinquent employee(s);
- To ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company.

The Audit Committee will oversee the practice of this Policy.

Employees are encouraged to bring to the attention of the Company incidents pertaining, inter-alia, to:

- Illegal or unethical conduct including that which adversely affects investors, shareholders, customers, suppliers, other employees, or the business performance or image or reputation of the Company;
- Violation of any law or regulation including actual or suspected fraud;
- Conflict of interest with the Company;
- Leaking of confidential or proprietary information of the Company;
- Any other violation of Company's Code of Conduct.

Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a Vigil Mechanism:

- Every listed company;
- Every other company which accepts deposits from the public;
- Every company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores.

Further, Regulation 22 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") provides for a mandatory requirement for all listed companies to establish a mechanism called the "Whistleblower Policy/ Vigil Mechanism" for directors and employees to report genuine concerns.



II. DEFINITIONS:

“Protected Disclosure” means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

“Whistle Blower / Complainant” is a Director or employee who makes a Protected Disclosure under this Policy.

“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.

Other terms not specifically defined here shall have the same meaning as assigned under the Companies Act, 2013 or SEBI (Prohibition of Insider Trading) Regulations, 2015 or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

III. SCOPE OF THE POLICY:

- a. This Policy is an extension of the Company’s Code of Conduct. This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place/suspected to have taken place involving misuse or abuse of authority, fraud or suspected fraud, Leak of Unpublished Price Sensitive Information (UPSI), violation of company rules, manipulation of company data/records, pilferation of confidential information, 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.
- b. The Whistleblower’s role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- c. 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. Whistleblowers should not act on their own in conducting any investigative activities.
- d. While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- e. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.
- f. Whistleblowers, who make three or more complaints, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this Policy. In respect



of such Whistleblowers, the Company would reserve its right to take/recommend appropriate disciplinary action.

IV. PROCEDURE

- a. 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.
- b. The Protected Disclosures should be made by any employee (hereinafter referred to as the 'complainant'). Such complaint should be sent to his or her immediate reporting authority. With copies to the Chief Executive Officer. If the complainant has reasons to believe that the concerned immediate reporting authority or his/ her superior is involved in the suspected violation, the complaint may be addressed directly to the Chief Executive Officer.
- c. Complaint by or against senior management should be made to the Chairman of the Audit Committee with a copy to the Company Chairman.
- d. Complaint shall be made in writing and must include as much information about the suspected violation as the complainant can provide. It should describe:
 - the nature, period of commission and details of the alleged violation;
 - the identities of the persons suspected to have committed the alleged violation; and
 - A description of the documents that would prove or relate to the suspected violation.
- e. The Complainant is required to disclose his/her identity in the covering letter forwarding such Complaint. Anonymous disclosures will not be entertained.
- f. Employees are encouraged to report such incidents as early as possible, in any case within 30 days of the suspected violation / breach noticed by him / her, so that timely action can be taken.

V. INVESTIGATION

- a. Upon receipt of a complaint (other than by or against senior management), the Chief Executive Officer will make an assessment thereof and on being satisfied as to the seriousness and credibility of the complaint, direct the complaint for investigation, to the person as may be determined/assigned.
- b. All employees have a duty to cooperate in an investigation.
- c. All information disclosed during the course of an investigation, including the identity of the complainant, will be kept confidential, except as necessary or appropriate to disclose for the purposes of the investigation or where required to be statutorily disclosed.
- d. The report of the investigation shall be submitted by the Internal Audit Department to the Chief Executive Officer along with reasoning and supporting material. Depending on the materiality, the investigation findings will be reported to the Audit Committee.
- e. Complaint by or against senior management will be investigated as directed by the Audit Committee.
- f. If the Chief Executive Officer / the Audit Committee determines that a violation has occurred, the Company will take appropriate action, which may include disciplinary proceedings against the violator, including termination of employment.



VI. PROTECTION TO WHISTLEBLOWER

- a. This Policy is intended to encourage and enable employees to raise bona fide concerns. No employee who reports a violation shall suffer any harassment, retaliation or adverse employment condition as a consequence of such reporting.
- b. Any employee who retaliates against a person reporting a violation will be subject to disciplinary proceedings, which may extend to termination of employment.
- c. This Policy must not be used as a tool for victimization, making false allegation or acting malafide.
- d. Any person who is found to be making baseless, reckless, malicious or deliberately false allegation, shall be subject to disciplinary proceedings, which may extend to termination of employment.

VII. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

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.

VIII. PRESERVATION OF DOCUMENTS / RECORDS

All Complaints in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company as per the Document Retention and Destruction Policy / Preservation of Documents Policy

IX. AMENDMENTS

Any or all provisions of this Policy are subject to revision/ amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities found inconsistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

The changes required in the policy due to the amendments in statutory laws or regulations, changes to explain or elaborate further on any guidance of Policy or the provisions of the code can be made by the Compliance Officer of the Company. All other amendments shall be made with the approval of the Board of Directors of the Company. The Policy shall be subject to review by the Board whenever required.