



**DHAMPUR BIO ORGANICS LIMITED**

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

## **“WHISTLE BLOWER POLICY”**

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### **A. PREAMBLE:**

“Dhampur Bio Organics Limited” is committed to comply with all the applicable laws, particularly ensuring that the business is conducted with integrity and that the Company’s financial information is accurate.

In pursuit of the same, the Company encourages stakeholders to raise genuine concerns about any malpractices including unethical behaviour, actual or suspected fraud, leakage of unpublished price sensitive information or suspected leakage of unpublished price sensitive information or violation of the Code of Business Conduct and Ethics for Company’s Board of Directors and Employees under the Vigil Mechanism without fear of retaliation and protect them from victimization or expulsion which will ultimately enable us to move a step forward towards a better corporate governance.

In view of the above, the Company proposes to establish a Vigil Mechanism and formulate a Whistle Blower Policy. The Policy protects employees, Directors as well as Anonymous Whistle Blowers wishing to raise a concern about serious irregularities within the Company. The Policy neither releases employees and Directors from their duty of confidentiality in the course of discharging their duties, nor is it a route for taking up a grievance about a personal situation.

### **B. LEGAL FRAMEWORK:**

#### **COMPANIES ACT, 2013:**

**Section 177(9)** of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 requires specified companies to establish a vigil mechanism/ whistle blower policy for the Directors and Employees to report genuine concerns including unethical behaviour, actual or suspected, fraud or violation in such manner as may be prescribed which will be monitored by the Audit Committee of the Board of Directors.

#### **SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

**Regulation 22** of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provides for a mandatory requirement for all listed companies to establish a mechanism called ‘Whistle Blower Policy’ for employees to report to the management instances of irregularities in company’s code of conduct.

### **C. APPROVAL OF THE BOARD:**

The Company has established a Vigil Mechanism and formulated a Whistle Blower Policy (the "Policy") to provide a framework for responsible and secure whistle blowing / vigil mechanism approved by the Board of Directors of the Company ('the Board') at its meeting held on 30<sup>th</sup> May, 2022.

### **D. PURPOSE:**

**The purpose and objective of this Policy is:**

- ✓ To provide a structure to promote/ encourage secure whistle blowing.
- ✓ To protect the employees wishing to raise a concern about serious irregularities within the Company to come forward and express the concerns such as suspected misconduct, unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy without fear of punishment or unfair treatment.
- ✓ To adhere to the highest standards of ethical, moral and legal conduct of business operations.
- ✓ To safeguard against victimization of employees and Directors and provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

*This policy, however, 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.*

### **E. DEFINITIONS:**

**The definitions of some of the key terms used in this Policy are given below -**

**“AUDIT COMMITTEE”:** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**“BOARD”:** means the Board of Directors of the Company.

**“COMPANY”:** means Dhampur Bio Organics Limited, its branches and administrative offices.

**“CODE”:** means Code of Conduct for Directors and Senior Management adopted by the Company.

**“DIRECTOR”**: means a person appointed as the Director on the Board of Directors of the Company.

**“DISCIPLINARY ACTION”**: means any action that can be taken on the completion of/ during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from the official duties or any such action as is deemed to be fit considering the gravity of the matter.

**“EMPLOYEE”**: means all the present employees and Directors of the Company.

**“INVESTIGATOR”**: mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee and includes the Statutory and/or Internal Auditors of the Company and the Police.

**“POLICY OR THIS POLICY”**: means, “Vigil Mechanism/ Whistleblower Policy.”

**“PROTECTED DISCLOSURE”**: means any written or anonymous communication (including email) made in good faith that discloses or demonstrates information that may evidence unethical or improper activity of the Company by a Whistleblower.

**“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.

**“UNETHICAL BEHAVIOUR”**: An act which does not confirm to the approved standard of social and professional behaviour.

- An act which leads to unethical business practices.
- Improper or unethical conduct.
- Breach of etiquette or morally offensive behaviour.
- Any other act/action, as deemed fit by the Vigilance officer.

**“VIGILANCE OFFICER”**: means a person nominated/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.

**“WHISTLE BLOWING”**: An act of informing or reporting the appropriate authorities about any confirmed or suspected unethical practices, wrongdoings or illegal activities in the Company, including suspected or actual instances of leak of unpublished price sensitive information ("UPSI").

**“WHISTLEBLOWER”**: any individual who reveals private or classified information about an organization, related to wrongdoing, misconduct or illegal activities in the Company.

**“WHISTLE BLOWER POLICY”**: A policy that provides a secure avenue to directors, employees, business associates and other stakeholders of the Company for raising their concerns against the unethical practices.

#### **F. SCOPE:**

- ✓ The Policy covers malpractices and events which have taken place/ suspected to take place involving:
  - Fraud or suspected fraud including financial irregularities,
  - Violation of the company rules,
  - Machiavellian/ unauthorized use or disposal of company data/records,
  - Criminal offence,
  - Negligence causing danger to public health and safety,
  - Pilferation of goods, property, confidential/proprietary information,
  - Wastage/misappropriation of company funds/assets and
  - Bribery and corruption.
  - Leak of UPSI, whether suspected or actual.
  - Breach of IT Security and data privacy.
  - Abuse of authority for personal gain or obtaining undue advantage or to prevent or deprive another of its rights or to the detriment of the Company.
  - Other matters or activity and formally reported by whistle blowers.

**The above list is only illustrative and should not be consider as exhaustive.**

- ✓ All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

#### **Note:**

- a. This Policy is not intended to question financial or business decisions taken by the Company nor should it be used as a means to reconsider any matters which have already been addressed pursuant to disciplinary or other internal procedures of the Company.
- b. This policy shall not be used for:

- Raising grievances related to employees' own career / other personal grievances.
- Raising grievances related to career of other employees / colleagues.
- Grievances arising out of the policies / procedures of the Company and any decision taken by the superior / management in this respect.
- Complaints that is frivolous in nature.

## **G. GUIDING PRINCIPLES:**

**To ensure that this Policy is adhered to and to assure that the concerned will be acted upon seriously, the Company will:-**

- Ensure complete confidentiality.
- Treat instances of unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy as a serious matter, including initiating disciplinary action on person/(s).
- Ensure that the whistleblower and/or the person processing the Protected Disclosure are not victimized for doing so.
- Not attempt to conceal evidence of the Protected Disclosure.
- Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made.
- Provide an opportunity of being heard to the persons involved especially to the Subject.

## **H. PROCEDURE FOR DISCLOSURE / COMPLAINT UNDER VIGIL MECHANISM:**

**Step 1:** *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 or Hindi.*

**Step 2:** *The protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelop and should be super scribed as "Protected disclosure under the Whistle Blower policy" or sent through email with the subject or sent through email with the subject "Protected disclosure the Whistle Blower policy". If the complaint is not super scribed and as mentioned above, the protected disclosure will be dealt with as a normal disclosure.*

- *All protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee only in exceptional cases. The contact details of the Vigilance Officer are as under:-*

**Name:** Mr. Amit Sharma

**Email ID:** [vigilanceofficer@dhampur.com](mailto:vigilanceofficer@dhampur.com)

- The present Chairman of the audit Committee is Mr. Kishor Shah having his residence at 701 Casa Grande, Senapati Bapat Marg, Lower Parel, Mumbai- 400 013, e-mail: kishorshah@dhampur.com

***Others:***

- In order to protect the identity of the complainant, the Vigilance 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 officer. The Vigilance Officer shall ensure that in case any further clarification is required he will get in touch with the complainant.
- Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer. An employee who makes complaints with mala fide intentions and which is subsequently found to be false will be subject to strict disciplinary action.
- Protected Disclosure against the Vigilance officer should be addressed to the Chairman of the Audit Committee.
- It is essential for the Company to have all critical information in order to enable the Company to effectively evaluate and investigate the complaint. The complaint or disclosure must, therefore, provide as much detail and be as specific as possible in order to facilitate the investigation.
- **To the extent possible, the complaint or disclosure must include the following:**
  - ✓ The employee, and/or outside party or parties involved;
  - ✓ The sector of the Company where it happened (Location, Department, office);
  - ✓ When did it happen: a date or a period or time;
  - ✓ Type of concern (what happened);
  - ✓ Submit proof or identify where proof can be found, if possible;
  - ✓ Who to contact for more information, if possible; and/or
  - ✓ Prior efforts to address the problem, if any.
- **The vigilance Officer shall make a detailed written record of the Protected Disclosure. The record will include:**
  - ✓ Facts of the matter.
  - ✓ Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof.
  - ✓ Whether any Protected Disclosure was raised previously against the same Subject, and if so, the outcome thereof.

## **I. INVESTIGATION:**

- ❖ *The Vigilance Officer, upon receipt of disclosure, shall investigate the complaints to ascertain its genuineness and truthfulness. The outcome of such investigation must be made, within 30 days of the receipt of disclosure, the Vigilance Officer shall recommend a corrective action to the Management, including but not limited to:*
  - ✓ *Closing the complaint if wrongful conduct remains largely unsubstantiated. or*
  - ✓ *Initiating action against concerned person if, complaint found correct on investigation. or*
  - ✓ *Recommending installation of a proactive system to overcome system weakness/ making it more stringent.*
  
- ❖ *All Protected Disclosures reported under this Policy will be thoroughly investigated by Vigilance Officer, on the directions of the Chairman of the Audit Committee, who will investigate / oversee the investigations under the authorization of the Audit Committee.*
  
- ❖ *The Vigilance Officer or Chairman of the Audit Committee may at his discretion, consider involving employees and/or outside Investigators for the purpose of investigation.*
  
- ❖ *If the Audit Committee Chairman or any of the Vigilance Officer have a conflict of interest in a given case, they would rescue themselves and other officer or the Audit Committee, as the case may be, would deal with the matter.*
  
- ❖ *In case of repeated frivolous complaints being filed by a stakeholder the Audit Committee may take suitable action against the concerned stakeholder including reprimand in case of director or employee.*
  
- ❖ *Management, on the basis of the recommendation of the Vigilance Officer / Chairman of the Audit Committee, shall take appropriate action immediately.*
  
- ❖ *The decision to conduct an investigation is not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.*
  
- ❖ *Subject will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing his/her inputs during the investigation.*



- ❖ *Subject shall have a duty to co-operate with the Vigilance Officer / Chairman of the Audit Committee or any of the Investigators during the investigation to the extent that such co-operation will not compromise self-incrimination protections available to the Subject under the applicable laws.*
- ❖ *Subject has a right to consult with a person or persons of his/her choice, other than the Vigilance Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.*
- ❖ *Subject has a responsibility not to interfere with the investigation.*
- ❖ *Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, coerced, threatened or intimidated by the Subject.*
- ❖ *Unless there are compelling reasons not to do so, Subject 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 maintainable unless there is evidence in support of the allegation.*

#### **J. 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 and discuss the same 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.

#### **K. NON-VICTIMIZATION:**

- ✓ No unfair treatment shall 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 practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to the 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 Disclosures.
- ✓ The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

- ✓ 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 a suitable action to the Management.
- ✓ Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

#### **L. DECISION:**

- ✓ If an investigation leads to conclude that an improper or unethical act has been committed, the Vigilance officer shall recommend to the management of the Company to take such disciplinary or corrective actions as they deem fit.
- ✓ 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.
- ✓ The company may also consider to reward the Whistle Blower, based on merits of the case.

#### **M. DISQUALIFICATIONS FROM PROTECTION:**

It may be noted that an individual who knowingly makes frivolous, misleading or false complaints, or without a reasonable belief of the complaint, will not be protected by this. In this regard, suitable action will be taken by the Company in accordance with applicable laws. This shall also apply to those individuals, who has made false statements or given false evidence during the investigations.

Protection under this Policy would not mean protection from the disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.

#### **N. ACCESS TO REPORTS AND DOCUMENTS:**

All reports and records associated with Protected Disclosures are considered confidential information and access will be restricted to:

- The Whistleblower,
- Chairman of the Audit Committee,
- Vigilance Officer as the case may be and
- Other Members of Audit Committee and

Any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations.

#### **O. REPORTING:**

*(1) A report shall be submitted to the Audit Committee on a quarterly basis about all Protected Disclosures reported together with the results of investigations, if any.*

*(2) Audit Committee in turn shall submit a report to the Chairman of the Board on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.*

*(3) Board of Directors shall disclose the details of the establishment and operation of the Whistleblowing and Vigil Mechanism in the Directors' Report.*

#### **P. RETENTION OF DOCUMENTS:**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 6 years or such period as may be prescribed under applicable laws.

#### **Q. RESPONSIBILITY FOR IMPLEMENTATION:**

The Audit Committee shall have the responsibility for overseeing the Vigil Mechanism in the Company.

#### **R. AMENDMENTS:**

The Company may amend or modify this Policy in whole or in part, at any time, such amendment or modification shall not affect the on-going or completed investigations.

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