



## VIGIL MECHANISM

### 1. PREFACE

The Company is committed to conducting its business in a fair and transparent manner by adopting highest standards of professional integrity and ethical behavior. The Company is committed to developing a culture where it is safe for all the employees to raise concerns about any poor or unacceptable practice and behavior.

A vigil Mechanism is a framework which provides a protective channel to the employees and Directors to report to the management concerns about the unethical behavior, actual or suspected fraud or violation of any legal or regulatory requirements including misrepresentation of any information etc. This policy doesn't releases the employees from their duty of confidentiality in the course of their work and not to be treated as a mode for taking up personal grudges.

### 2. POLICY

This policy is applicable on all the employees of the company.

This policy covers a situation where an employee of the company raises a concern about a risk, malpractice, wrongdoing or violations that affects others such as clients, suppliers, other staff, company or the public interest.

### 3. DEFINITIONS

- 3.1. "Audit Committee" means Audit Committee constituted by the Board of directors of the Company in accordance with Section 177 of the Companies Act, 2013 (Section 292A of the Companies Act 1956) read with Clause 49 of the Listing Agreement executed with the Stock Exchange.
- 3.2. "Disciplinary Action" means an action taken on the completion of / during the investigation proceedings including but not limited to imposition of fine , suspension from service or any other action as may be deemed fit considering the gravity of the matter.
- 3.3. "Employee" means every employee of the Company (whether working in Head Office or plant or branch office), including the Directors of the Company.



- 3.4. “Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that any evidence unethical or improper activity.
- 3.5. “Subject” means a person against or in relation to whom a protected disclosure has been made or evidence gathered during the course of an investigation.
- 3.6. “Complainant” means a person making a Protected Disclosure under this policy.
- 3.7. “Redressal Committee” means the Committee constituted by the Board of Directors to receive protected disclosure from the Complainant, maintain record thereof, placing the same before the Audit Committee for its disposal and informing the complainant about the result thereof.
- 3.8. “Company” means Bharat Rasayan Limited.

#### **4. ELIGIBILITY**

Following stakeholders of the Company are eligible to make protected Disclosures under the policy:

- Employees of the Company
- Employees of other agencies deployed for the Company’s activities whether working from company’s Office, plant or any other location.
- Contractors, vendors, suppliers or agencies providing any material or service to the Company.
- Customers of the Company
- Any other person associated with the company.

#### **5. SCOPE OF POLICY**

The Policy covers malpractices and events which have taken place / suspected to take place involving:

- (i) Abuse of Authority
- (ii) Breach of Contract
- (iii) Negligence causing substantial and specific danger to public health and safety.
- (iv) Manipulation of company data/ records.
- (v) Financial irregularities including fraud or suspected fraud.
- (vi) Civil/ Criminal Offence
- (vii) Pilferation of confidential / exclusive information.



- (viii) Deliberate violation of Law/ Regulations.
- (ix) Misappropriation of company's funds/ assets
- (x) Breach of Company's policy or failure to implement or comply with an approved Company Policy.

## 6. GUIDING PRINCIPLES

- 6.1. Ensure that the Complainant and/or the person processing the Protected Disclosure is not victimized for doing so
- 6.2. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s)
- 6.3. Ensure complete confidentiality
- 6.4. Not attempt to conceal evidence of the Protected Disclosure
- 6.5. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made
- 6.6. Provide an opportunity of being heard to the persons involved especially to the subject.

## 7. PROCEDURE FOR REPORTING AND DEALING WITH DISCLOSURES

- 7.1 All protected disclosures should be addressed to the Redressal Committee of the Company. The contact details of the Committee is as under :-
  - Redressal Committee
  - 1501, Vikram Towers,
  - Rajendra Place,
  - New Delhi – 110 008
- 7.2 Redressal Committee shall review whether the complaint is covered under the ambit of vigil mechanism.
- 7.3 The Company shall not entertain anonymous disclosures.
- 7.4 On receipt of the protected disclosure the Redressal Committee shall make a record of the Protected Disclosure and also ascertain the identity of the complainant. The record shall include :



- Brief facts
- Whether the Protected disclosure was raised previously by anyone on the same matter.
- Details of actions taken by the Committee for processing the complaint.
- Findings of the Audit Committee
- The disciplinary action/ recommendations of the Audit Committee.

7.5 The Redressal Committee, if deem fit may call for further information.

## **8. INVESTIGATION**

- 8.1. All Protected Disclosures reported under this policy will be thoroughly investigated by Redressal Committee. The said Committee will investigate / oversee the investigations under the authorization of the Audit Committee.
- 8.2. The decision to conduct an investigation taken by the Redressal Committee is by itself not an accusation and is to be treated as neutral fact- finding process. The outcome of the investigation may or may not support accusation.
- 8.3. The identity of the subject will be kept confidential to the extent possible given the legitimate needs of the investigation.
- 8.4. Unless there are compelling reasons not to do so, subjects will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- 8.5. Subjects shall have a duty to co-operate with the Committee during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- 8.6. Subjects shall have right to access any document / information for their legitimate need to clarify / defend themselves in the investigation proceedings.



- 8.7. Subjects shall have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- 8.8. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the subjects shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 8.9. Redressal Committee shall complete the investigation within ..... of the receipt of protected disclosure.
- 8.10. In case of allegations against subject are substantiated by the committee in its report, the Audit committee before passing an order/ taking disciplinary action.

## **9. PROTECTION**

- 9.1. No unfair treatment will be meted out to a Complainant 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 Complainant. Complete protection will, therefore be given to Complainant 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 complainant 's right to continue to perform his duties / functions including making further protected disclosure. The Company will take steps to minimize difficulties, which the Complainant may experience as a result of making the Protected Disclosure. Thus, if the Complainant is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Complainant to receive advice about the procedure, etc.
- 9.2. A Complainant may report any violation of the above clause to the Audit Committee who shall investigate into the same and recommend suitable action to the Board of Directors.
- 9.3. The identity of Complainant shall be kept confidential to the extent possible and permitted under the law.





- 9.4. Any other employee assisting in the said investigation shall also be protected to the same extent as the complainant.

## **10. ROLE AND RESPONSIBILITY OF REDRESSAL COMMITTEE**

- 10.1 Redressal Committee shall conduct a process towards fact-finding and analysis. The terms of reference of the Redressal Committee shall be fixed by the board of Directors on the basis of the recommendations of the Audit Committee.
- 10.2 Redressal Committee shall conduct the investigation independently and without any biasness. Committee shall at all the stages of investigation observe the legal and professional standards.
- 10.3 Redressal Committee shall initiate the investigation only after preliminary review of the fact that the alleged act constitutes an improper or unethical activity or conduct as set out in Clause 5.

## **11. INVESTIGATION REPORT**

Redressal Committee shall submit a report to the Audit committee on the basis of the investigations carried out.

## **12. DECISION**

On the basis of the investigations carried out by Redressal Committee and report submitted to Audit committee it is concluded that an improper or unethical act has been committed. The Audit committee shall recommend to the Board of Directors to take disciplinary or corrective action.

## **13. RECORD KEEPING**

All Protected Disclosures in writing or documented along with the results of the investigation relating thereto shall be kept in safe custody of the company secretary.

## **14. AMENDMENT**

The Company reserves the right to amend or modify the policy in whole or in part at any time without assigning any reason whatsoever.

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