

## VIGIL MECHANISM POLICY

### 1. PREFACE

1.1. Indian Synthetic Rubber Private Limited (ISRPL) is committed to conducting its business by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour in accordance with all applicable laws and regulations.

Further, Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board & its Powers) Rules, 2014 mandates the following classes of companies to constitute the Vigil Mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

(a) Every Listed Company

(b) Every other company (whether Public or Private Limited) which accepts deposits from the Public

(c) Every company which has borrowed money from Banks and Public Financial Institutions in excess of Rs.50 crores

Accordingly, ISRPL has in the past formulated a Vigil Mechanism Policy applicable to its Directors and Employees which broadly achieves the objective.

The existing Vigil Mechanism Policy of the Company is being amended inter-alia to primarily widen the scope of its applicability across all its Business Associates. This amended Policy is effective from 30.03.2022 and supersedes the earlier Vigil Mechanism Policy framed and adopted by the Company.

Further, company also wants to give a platform to its Business Associates to report their genuine concerns in accordance with the provisions of this policy.

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.

Accordingly, this policy applies to:

- a) Employees, Directors and MD/CEO, CFO, COO of the Company
- b) Business Associates of the Company

## 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, Directors, MD/CEO, CFO, COO and Business Associates who have concerns about areas covered in the scope of the policy to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil mechanism provides a channel to the employees, Directors, MD/CEO, CFO, COO and its Business Associates to report concerns about unethical behaviour, actual or suspected fraud or violation of the policy.

However, this neither releases employees, Directors, MD/CEO, CFO, COO and Business Associates 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 personnel/colleagues in general.

## 3. SCOPE OF THE POLICY

3.1. This Policy covers genuine concerns in respect of the Improper Activity as defined at clause 4.17.

It is pertinent to mention that complaints concerning personal grievances, such as professional development issues or Employee Compensation, are not in the scope for purposes of this Policy.

## 4. DEFINITION

4.1. “**Alleged wrongful conduct**” shall mean actual or suspected fraudulent practices/malpractices including but not limited to tampering with Company’s books and records, or theft of company property, corruption including bribery, financial irregularities, misappropriation of monies, negligence causing danger to public health and safety or, other matters or activity on account of which the interest of the Company is affected.

4.2. “**Audit Committee**” means a Committee constituted by the Board of Directors of the Company in accordance with provisions of Companies Act, 1956.

4.3. “**Board**” means the Board of Directors of the Company.

- 4.4. **“Bonafide complaint”** A complaint shall be deemed to be bonafide unless it is found to be motivated.
- 4.5. **“Business Associate”** means any Individual/Partnership Firm/LLP/Company/ Body Corporate/Trust, etc. and their respective regular as well as contractual employees, seconded staff, with whom the Company transacts or enters or proposes to transact or enter into any financial or commercial arrangements and includes vendors, suppliers, lenders, Landlords/lessors, service contractors, intermediaries, consultants/advisors, lawyers, representatives, subcontractors, business development agents, custom agents, sales agents and customers.
- 4.6. **“MD/CEO”** means the Managing Director/Chief Executive Officer of the Company.
- 4.7. **“CFO”** means the Chief Financial Officer of the Company.
- 4.8. **“COO”** means the Chief Operating Officer of the Company.
- 4.9. **“CS”** means the Company Secretary of the Company.
- 4.10. **“Chairman”** means the Chairman of the Audit Committee.
- 4.11. **“Company”** means the Indian Synthetic Rubber Private Limited.
- 4.12. **“Complaint/Protected Disclosure”** means an expression of an improper activity of any employee or group of employees/MD/ CEO/ CFO/ COO/ Directors of the Company, a Business Associate, group of Business Associates of the Company, made by a complainant in writing in conformity with this policy.
- 4.13. **“Complainant/Whistle Blower”** means an Employee/Directors/MD/CEO/ CFO/ COO of the Company, Business Associates of the Company who has made a complaint/ Protected Disclosure in accordance with this policy.
- 4.14. **“Competent Authority”** means the MD/CEO of ISRPL and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case of conflict of interest (MD/CEO being the subject person), Competent Authority means Chairman of the Audit Committee.
- 4.15. **“Director”** means every director of the company, past or present.

- 4.16. **“Employee”** means all the present employees as defined in the HR Policy of the Company and whole time Directors including Managing Director, (whether working in India or abroad).
- 4.17. **“Improper Activity”** means any activity by an employee/Chairman, Directors, MD/CEO, CFO, COO, Business Associates of the Company , whether or not that act is within the scope of his or her employment, contract, letter of engagement, etc., and that is in violation of any law or that is in violation of this policy, including but not limited to corruption, malfeasance, bribery, theft, conversion or misuse of Company’s property, fraudulent claim, fraud or wilful omission to perform duty or that is economically wasteful and includes “Alleged wrongful conduct”.
- 4.18. **“Management”** means the MD/CEO, CFO and COO of the Company collectively except in a case of a vacancy, out of these three abovementioned positions, the remaining officials shall constitute Management and MD/CEO of the Company where subject is CFO or/and COO as the case may be and chairman of the Audit Committee if subject is MD/CEO
- 4.19. **“Policy”** means Vigil Mechanism Policy.
- 4.20. **“Subject”** means Chairman, Directors, MD/CEO, CFO, COO, and all employees, Business Associates of the Company against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- 4.21. **“Vigilance and Ethics Officer”** means an officer of the company nominated by competent authority to receive protected disclosures from whistle blowers, maintaining records thereof, to conduct detailed investigation under this policy and to place its recommendation alongwith the basis of such recommendation before the Audit Committee for its final decision/disposal and informing the Whistle Blower the result thereof.
- 4.22. **“Victimisation”** means any act by which the complainant is victimized for making a complaint in good faith.

## 5. Business Associate requirement

The company requires all Business Associates to cooperate and ensure compliance with the terms of this policy, to ensure continued business relationship.

## **6. ELIGIBILITY**

“**Complainant**” is eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

## **7. ESSENTIALS OF COMPLAINT:**

A complaint shall be in writing signed by the complainant and shall bear the identity of the complainant. Anonymous or pseudonymous complaints shall not be entertained in normal course, except in case where incriminating evidence is enclosed alongwith the Complaint and a prima facie case is established for conducting investigation.

The complaint shall be in sealed envelope and addressed to the Vigilance and Ethics Officer/MD/CEO/Chairman/Audit Committee, as the case may be, in accordance with clause 8.1 & 8.2.

The Complainant may not be an investigator and hence is not expected to have conducted any independent investigation prior to making the complaint. The Complainant is, however, expected to have knowledge of the facts on which the Complaint is based and must, therefore, disclose sufficient facts about the existence of improper activity by an employee/ Business Associate of the Company in the complaint. The Complainant must also disclose that the complaint is not, on the face of it, motivated for which the Complainant shall disclose the relationship or dealings of the Complainant with Subject(s) in the complaint.

The Company will not entertain or enquire into any improper activity which is subject matter of an inquiry or order under any other law or direction.

## **8. REPORTING MECHANISM AND DISPOSAL OF PROTECTED DISCLOSURES**

8.1. All Protected Disclosures should be reported by the Whistle Blower as soon as possible after he/she becomes aware of the same so as to ensure a clear understanding of the issues raised.

For that purpose, ISRPL has appointed a Vigilance & Ethics Officer to process and investigate Protected Disclosures. The Vigilance & Ethics Officer operates under the supervision of the Audit Committee. Protected Disclosures are to be made to the Vigilance & Ethics Officer in the prescribed format as annexed at **Annexure-A**.

8.2 Protected Disclosure against the Vigilance and Ethics Officer/CFO/COO of the Company should be addressed to the Competent Authority i.e., MD/CEO and the Protected Disclosure against the Directors/MD/CEO should be addressed to the Chairman, who would be the competent authority in that case. If the Complainant believes that there is a conflict of interest between the Vigilance and Ethics Officer/MD/CEO and the Complainant, the complainant may send the complaint directly to the Chairman of the Audit Committee.

Further, Protected Disclosure against the Chairman, should be addressed to Members, Audit Committee excluding Chairman.

However, Directors may report their concerns or complaints to Audit Committee directly.

In case, a whistle blower has a reason to believe that he/she would be treated adversely as a consequence of their use of vigil mechanism and in exceptional cases, whistle blower have a right to make Protected Disclosures directly to the Chairman. Chairman may choose to discuss the matter with the whistle blower prior to initiating any review or investigation.

8.3. If the complaint is not super scribed and closed, the protected disclosure will be dealt with as if it is a normal disclosure. In order to protect identity of the whistle blower, the Vigilance and Ethics Officer will not issue any acknowledgement to the whistle blowers 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 seek the same from the whistle blower(s).

8.4. The Protected Disclosure should be forwarded under a covering letter signed by the Whistle Blower. The Vigilance and Ethics Officer / Chairman / MD/CEO as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

8.5. The Vigilance and Ethics Officer/MD/CEO/ Chairman/Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the Whistle Blower whether he was the person who made the protected disclosure or not. They may also carry out an investigation either themselves or by involving any other Officer of the Company or an outside agency. Thereafter, on the basis of the said investigation/other evidences, the Vigilance & Ethics Officer, or MD/CEO/Chairman, as the case may be, shall recommend its final conclusion of the investigation alongwith its basis to the Audit Committee for final decision/disposal of the matter. Further, in case the Protected

Disclosure was directly made to Audit Committee as per the provisions enunciated in clause 8.2, the Audit Committee would be the only and final authority to finalize the matter. 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 investigation carried out by Vigilance and Ethics Officer/Chairman/MD/CEO for processing the complaint
- e) The recommendations of the Vigilance & Ethics Officer/MD/CEO/Chairman, as the case may be.
- f) The decision of the Audit Committee
- g) Details of disciplinary or corrective action taken by the Management

8.6. The Whistle-blower may also be associated with the investigations, if the case so warrants. However, he / she shall not have a right to participate in the investigation on his own accord. The Whistle-blower should not become involved in determining the appropriate corrective action that might follow from the submission of a Protected Disclosure.

## **9. INVESTIGATION**

9.1. All protected disclosures under this policy will be recorded.

The Vigilance & Ethics Officer/MD/CEO/Chairman/Audit Committee shall determine whether the circumstances warrant an investigation into the complaint in the case. If the Vigilance & Ethics Officer/MD/CEO/Chairman/Audit Committee determines that an investigation is warranted, reason(s) for such determination shall be recorded in writing.

The Vigilance & Ethics Officer/MD/CEO/Chairman/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.

The investigation shall be fair and objective, and shall be undertaken by a person or persons who have no conflict of interest either with the Complainant or Subject(s).

9.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

- 9.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and will be accorded an opportunity of being heard and for providing their inputs during the investigation.
- 9.4. Subject(s) are duty bound to cooperate with the investigator(s) to the extent that their cooperation will not compromise self – incrimination.
- 9.5. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/Investigators/MD/CEO/CFO/COO/or Chairman or members of the Audit Committee and/or the Whistle Blower.
- 9.6. 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).
- 9.7. 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.
- 9.8. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 9.9. The investigation shall be completed normally within 60 days of the receipt of the protected disclosure or such extended period as the Competent Authority/Chairman, Audit Committee, as the case may be, may permit for the reasons to be recorded. Provided where any outside agency is hired for the purpose of investigation of protected disclosure, the time-period for completion of such investigation can be extended upto 90 days or such period as the Competent Authority/ Chairman, Audit Committee, as the case may be, may permit for the reasons to be recorded. The period fixed for the investigation is the essence, since action(s), if any, to be taken on the complaint will depend on the investigation, and speedy action is the essence of this policy.

## 10. REPORTING

- 10.1 If an investigation leads the Audit Committee to conclude that a wrongful conduct/Improper Activity has been committed, the Audit Committee shall recommend to the management of the Company to take such disciplinary action in accordance with



Conduct Rules/ Business Associate Code of Conduct (BACOC) of the Company and/or corrective action as it may deem fit. If subject is CFO or COO, then Audit Committee shall take such disciplinary and/or corrective action as it may deem fit.

10.2 If an investigation leads the Vigilance and Ethics Officer/MD/CEO/Chairman to conclude that a wrongful conduct/Improper Activity has not been committed, the Complaint shall be closed by Vigilance and Ethics Officer/MD/CEO/ Chairman/Audit Committee after filling the details in the format as annexed at **Annexure B**. The said Annexure B, duly filled as per the details given therein and signed, shall be preserved permanently.

10.3 The Complaints which are closed in accordance with clause 10.2 above, shall also be reported to Audit Committee on quarterly basis.

10.4. A Whistle Blower who makes false allegations about alleged wrongful conduct of the subject shall be subject to appropriate action to be taken by Committee of MD, CFO and CS in accordance with the rules, procedures and policies of the Company or BACOC, as the case may be.

10.5 The Vigilance & Ethics Officer shall maintain a summarised record of the all closed cases.

## **11. ROLE OF THE AUDIT COMMITTEE**

11.1. The Audit Committee is responsible for supervising the development and implementation of this Policy, including the work of the Vigilance and Ethics Officer. The Audit Committee shall periodically review the Policy.

11.2. The Audit Committee shall receive reports from the Vigilance and Ethics Officer as per the format annexed at **Annexure B** concerning the investigation and resolution of Protected Disclosures made pursuant to the Policy quarterly.

11.3. The decision of Audit Committee shall be final.

The Process Flow Chart of Vigil Mechanism is annexed herewith as **Annexure C**.

## **12. SECRECY / CONFIDENTIALITY**

12.1. The Whistle Blower, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and officials involved in the process shall maintain confidentiality of all matters under this Policy.

## **13. PROTECTION**

13.1. 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.

13.2. The identity of the Whistle Blower will not be revealed unless he himself has either made his details public or disclosed his identity to any other office or authority. 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.

13.3. Any other Employee/Business associate assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

13.4. The Whistle Blower before making a complaint should have reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith shall be viewed seriously. This policy does not protect a Whistle Blower from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

13.5. Disciplinary Actions would be taken against persons who conceals or destroys or tampers in any manner with evidences related to protected disclosure made under this mechanism.

## **14. CONFLICTS OF INTEREST**

14.1. Where a Protected Disclosure concerns Vigilance & Ethics Officer/MD/CEO/ Chairman or member of the Audit Committee, such person shall be prevented from acting in relation to that Protected Disclosure. In case of doubt, the Chairman and in case,

Chairman is concerned, MD/CEO of the Company shall be responsible for determining whether such person must reclude himself/ herself from acting in relation to a Protected Disclosure.

## **15. RETENTION OF DOCUMENTS**

15.1. All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company permanently.

## **16. NOTIFICATION**

16.1. The Whistle Blower policy shall be prominently displayed on all Notice Boards of the Company. This policy, including amendments thereof, shall be made available at Company's website. Establishment of this mechanism would also be disclosed in Board's Report of the Company.

## **17. AMENDMENT**

17.1. The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

**ANNEXURE-A**  
**INDIAN SYNTHETIC RUBBER PRIVATE LIMITED**  
**PROTECTED DISCLOSURE FORM**

Name of the Whistle Blower: .....

Designation.....

Department / Division: .....

Location: .....

Contact Number: .....

E-mail:.....

Correspondence address:.....

.....

I hereby declare, that the accompanying statements and supporting documentation (if any) is true and correct, to the best of my knowledge and in complete good faith.

Date : \_\_\_\_\_

\_\_\_\_\_

Signature of the Whistle Blower

Name of the Subject: .....

Designation:.....

Department/ Division: .....

Location: .....

In case of Multiple Subjects

Name of the 2nd Subject: .....

Designation:.....

Department/ Division: .....

Location: .....

Name of the 3rd Subject: .....

Designation:.....

Department/ Division: .....

Location: .....

( If the space provided is not sufficient, attach a separate sheet)

**ANNEXURE B**

**FORMAT FOR REPORTING OF A COMPLAINT/PROTECTED DISCLOSURE**

The Complaint/Protected Disclosure in respect of \_\_\_\_\_ (*insert subject matter of Complaint*), as made by Ms./Mr. \_\_\_\_\_ (*insert Name of the Complainant*) , on \_\_\_\_\_ (*insert the date*) against \_\_\_\_\_ (*mention Name of Subject*) to \_\_\_\_\_ (*insert the name of Officer to whom complaint has been made*).

The other details in respect of the aforesaid Complaint/Protected Disclosure are as under:

<b>Name of Subject/Employee Code</b>	<b>Date of receipt of Complaint</b>		<b>Date of initiation of investigation</b>	<b>Name of Outside Agency/Officer of Company if involved in respect of investigation</b>	<b>Date of conclusion of Investigation</b>	<b>Date of closure of complaint</b>

(Signature of Vigilance & Ethics Officer/CFO/MD/CEO/Chairman/Members of Audit Committee)

**PROCESS FLOW CHART OF VIGIL MECHANISM POLICY**

Anonymous or pseudonymous complaints shall not be entertained in normal course, except in case where incriminating evidence is enclosed alongwith the Complaint and a prima facie case is established for conducting

