

GACL-NALCO ALKALIES & CHEMICALS PVT. LTD.



VIGIL MECHANISM CUM WHISTLE BLOWER POLICY
(as approved by the Board of Directors on 07.05.2019)

VIGIL MECHANISM CUM WHISTLE BLOWER POLICY
OF
GACL-NALCO ALKALIES & CHEMICALS PRIVATE LIMITED

I. PREAMBLE

This policy is formulated to provide opportunity to Director(s) and employee(s) to access in good faith to report genuine concerns to the Chairman / Audit Committee in case they observe unethical and improper practices or any other wrongful conduct in the Company by any person and to prohibit managerial personnel or any other employee/group of employees from taking any adverse personnel action against those Director(s) / employee(s) as per the requirement of Section 177 of the Companies Act, 2013 and rules made thereunder.

II. APPLICABILITY

This policy applies to all Directors and employees of the Company.

III. POLICY

No adverse action shall be taken or recommended against the Director and no Adverse Personnel Action shall be taken or recommended against an employee in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This policy protects such Directors from unfair removal or such employees from unfair termination and unfair prejudicial employment practices.

This Policy provides adequate safeguards against victimization of Directors/ employees, who avail of this Vigil Mechanism.

However, this policy does not protect Director or an employee from an adverse action which occurs independent of his disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this policy.

IV. DEFINITIONS

1. Adverse Personnel Action

An employment-related act or decision or a failure to take appropriate action by managerial personnel which may affect the employee's employment, including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges.

2. Alleged Wrongful Conduct

Alleged Wrongful Conduct shall mean violation of law, infringement of Company's Code of Conduct or ethic policies, mismanagement,

misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

3. Audit Committee

Audit Committee shall mean a Committee of Board of Directors of the Company, constituted in accordance with provisions of Section 177 of Companies Act, 2013 or any other provisions applicable to the Company.

4. Company

Company means “GACL-NALCO Alkalies & Chemicals Private Limited.”

5. Compliance Officer

Compliance Officer means, “Company Secretary” of the Company.

6. Good Faith

A Director or an employee shall be deemed to be communicating in ‘good faith’ if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct.

Good Faith shall be deemed lacking when the Director/ employee does not have personal knowledge of a factual basis for the communication or where the Director/ employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

7. Managerial Personnel

Managerial Personnel shall include Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, all Executives at the level of Manager and above, who has authority to make or materially influence significant personnel decisions/ actions.

8. Policy or This Policy

Policy or This Policy means, “Vigil Mechanism cum Whistle Blower Policy.”

9. Unethical and Improper Practices

Unethical and improper practices shall include –

- a) An act which does not conform to approved standard of social and professional behaviour;
- b) An act which leads to unethical business practices;
- c) Improper or unethical conduct;
- d) Breach of etiquette or morally offensive behaviour, etc.

10. **Whistle Blower**

A Director of the Company, who discloses in good faith any unethical & improper practices or alleged wrongful conduct to the Chairman or Audit Committee in writing (including the Chairperson of Audit Committee in appropriate or exceptional cases).

An employee of the Company, who discloses in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or in case it involves Managerial Personnel to the Chairman or Audit Committee in writing.

Such complaint by the whistle blower should be in writing with his / her name sent either by physical document or by e-mail. Any oral or telephonic or anonymous complaints shall not be considered. The confidentiality of whistle blower shall be maintained to the greatest extent possible.

V. **GUIDELINES**

1. **Internal Policy & Protection under Policy**

This Policy is an internal policy on disclosure by Director(s)/ employee(s) of any unethical and improper practices or wrongful conduct and access to the Head of Department or in case it involves Senior Managerial Personnel access to the Chairman or Audit Committee.

This Policy prohibits the Company to take any adverse action against Director(s) or any Adverse Personnel Action against its employee(s) for disclosing in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or to the Chairman or to the Audit Committee. Any Director against whom any adverse action has been taken due to his/her disclosure of information under this policy may approach the Board of Directors. Any employee against whom any Adverse Personnel Action has been taken due to his/her disclosure of information under this policy may approach the Chairman or Audit Committee.

2. **False Allegation & Legitimate Employment Action**

In case of repeated frivolous complaints filed by a Director or an employee, the Chairman or Audit Committee may take suitable action against the concerned Director or employee including reprimand.

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Head of Department, Chairman or Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of information by him/her and for legitimate reasons or cause under Company rules and policies.

3. **Procedures**

Any Director who observes any unethical & improper practices or alleged wrongful conduct shall make a disclosure to the Audit Committee as soon as possible but not later than 30 consecutive calendar days after becoming aware of the same.

Any employee who observes any unethical & improper practices or alleged wrongful conduct shall make a disclosure to the Head of Department or in case it involves Managerial Personnel to the Chairman or Audit Committee as soon as possible but not later than 30 consecutive calendar days after becoming aware of the same.

The Departmental Head shall immediately forward Whistle Blower Report to the Chief Executive Officer of the Company. The Chief Executive Officer may inquire in respect of the Whistle Blower Report and after preliminary inquiry, if required, shall report the same to the Chairman or Audit Committee.

The Chairman or Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, Chairman or Audit Committee, if the circumstances so suggest, may appoint a Senior Executive or a Committee of managerial personnel to investigate into the matter and prescribe the scope and time limit for the same.

Chairman or Audit Committee shall have right to outline detailed procedure for an investigation.

Where the Chairman or Audit Committee have designated a Senior Executive or a Committee of managerial personnel for investigation, they shall mandatorily adhere to the scope and procedure outlined by the Chairman or Audit Committee for investigation.

The Chairman or Audit Committee or Senior Executive or Committee of managerial personnel, as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.

A report shall be prepared after completion of investigation and the Chairman or Audit Committee shall consider the same.

If any of the member(s) of the Audit Committee have conflict of interest in a given case, he or she should not take part in the matter.

The decision of the Chairman or Audit Committee shall be final and binding.

If and when the Chairman or Audit Committee is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then the Chairman or Audit Committee may –

- a) recommend to the Board to reprimand, take disciplinary action, impose penalty / punishment order, recovery when any alleged unethical & improper practice or wrongful conduct of any employee is proved;
- b) recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

After considering the report, in case of adverse personnel action against the whistle blower, the Chairman or Audit Committee may order for remedies which may inter-alia include:

- a) Order for an injunction to restrain continuous violation of this policy;
- b) Reinstatement of the employee to the same position or to an equivalent position;
- c) Order for compensation for lost wages, remuneration or any other benefits, etc.

5. Notification

All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. Every departmental head shall submit a certificate duly signed by him to the Compliance Officer that this policy was notified to each employees of his department. The new employees shall be informed about the policy by the Personnel department and statement in this regard should be periodically submitted to the Compliance Officer.

6. Annual Affirmation

The Company shall annually affirm that it has not denied any personnel access to the Chairman or Audit Committee and that it has provided protection to whistle blower from adverse personnel action.

7. Amendment

The Board shall have power to amend any of the provisions of the Code, substitute any of the provisions with a new provision or replace the Code entirely with a new Code according to subsequent modification(s)/ amendment(s) to the applicable laws.
