

**ASHAPURA MINECHEM LIMITED**

**WHISTLE BLOWER POLICY  
(VIGIL MECHANISM)**

**(CIN: L14108MH1982PLC026396)**

## **WHISTLE BLOWER POLICY (VIGIL MECHANISM)**

### **ASHAPURA MINECHEM LIMITED**

#### **1. PREMBLE:**

Ashapura Minechem Ltd. (the Company) is committed to conducting its business in accordance with applicable laws, rules and regulations. The Company believes in conducting its business in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted this Code of Conduct which lays down the principles and standards that should govern actions of the Company, its Directors and employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern to the Company and should be brought to the attention of the concerned. The role of the Directors/Employees in pointing out such violations of the Code/Policies cannot be undermined.

Section 177 of the Companies Act, 2013 requires every listed company to establish a 'vigil mechanism' for its directors and employees to report genuine concerns or grievances. Further, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges also requires that every listed company shall establish a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

Accordingly, the Whistle Blower Policy (the Policy) has been formulated with an objective to build and strengthen a culture of transparency and trust within the Company and to provide a framework to its directors and employees for responsible and secure reporting of improper activities (whistle blowing); and also to provide for adequate safeguards against victimization of directors/employees, who avail of the mechanism; and for direct access to the Chairman of the Audit Committee

The Policy neither absolve directors/employees from their duty of confidentiality in the course of their work nor is it a route for taking up personal grievance.

The Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules framed thereunder is implemented through the Whistle Blower Policy to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

#### **2. DEFINITIONS:**

- a. **"Alleged wrongful conduct"** shall mean violation of law, infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.
- b. **"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 read with Clause 49 of the Listing Agreement with the Stock Exchanges.

- c. **“Board”** means the Board of Directors of the Company.
- d. **“Director”** means a Director appointed to the Board of Directors of the Company.
- e. **“Employee”** means all the present employees (whether working in India or abroad) including the Directors in whole time employment of the Company.
- f. **“Investigators”** mean those persons authorised, appointed, consulted or approached by the Vigilance and Ethics Officer/Whistle Committee of the Company or the Chairman of the Audit Committee including the Auditors of the Company and the Police.
- g. **“Protected Disclosure”** means a concern raised by a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- h. **“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.
- i. **“Vigilance and Ethics Officer”** or **“Whistle Committee”** means an officer or Committee of persons who is/are nominated/ appointed to conduct detailed investigation of the disclosure received from the whistleblower and recommend disciplinary action.
- j. **“Whistle Blower”** means a Director/Employee making a Protected Disclosure under this Policy and also referred in this policy as complainant.

### **3. THE GUIDING PRINCIPLES:**

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

- i. Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- ii. Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- iii. Ensure complete confidentiality.
- iv. Not attempt to conceal evidence of the Protected Disclosure;

- v. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- vi. Provide an opportunity of being heard to the persons involved especially to the Subject;

#### **4. SCOPE:**

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

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud, or suspected fraud or Deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
6. Any unlawful act whether Criminal/ Civil
7. Pilferation and misuse of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of Company Policy or failure to implement or comply with any approved Company Policy

This Policy is not, however, intended to question financial or business decisions taken by the Company not being considered as Protected Disclosure 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. Further, this Policy is not intended to cover career related or other personal grievances.

Through this Policy, the Company seeks to provide a procedure for all the employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting.

##### II. Role of Whistle Blower:

- a. The Whistle Blower'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. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.

- b. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Vigilance and Ethics Officer/ Whistle Committee of the Company or the Chairman of the Audit Committee.
- c. Protected Disclosure will be appropriately dealt with by the Vigilance and Ethics Officer/Whistle Committee of the Company or Chairman of the Audit Committee, as the case may be.

## **5. ELIGIBILITY:**

All Directors/ Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

## **6. DISQUALIFICATIONS:**

- i. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment/victimisation as herein set out, any abuse of this protection will warrant disciplinary action.
- ii. Protection under this Policy would not mean protection from 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.
- iii. Whistle Blowers, who make three Protected Disclosures, which have been subsequently found to be malafied, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosure under this policy. In respect of such Whistle Blower, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

## **7. PROCEDURE: RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES:**

- i. In respect of the Protected Disclosures concerning the Vigilance and Ethics Officer/Whistle Committee and the employees at the levels of Vice Presidents and above should be addressed to the Chairman of the Audit Committee of the Company and those concerning other employees should be addressed to the Vigilance and Ethics Officer/Whistle Committee of the Company.
- ii. The contact details of the present Chairman of the Audit Committee are as under:

Shri Harish Motiwalla, Chairman of the Audit Committee  
Ashapura Minechem Ltd.  
Jeevan Udyog Building, 3<sup>rd</sup> Floor,  
278, D. N. Road, Fort, Mumbai-400001

E-mail id: [hnmotiwalla.ca@gmail.com](mailto:hnmotiwalla.ca@gmail.com)

The contact details of the present Vigilance and Ethics Officer/Whistle Committee are as under:

1. Shri Sachin Polke, Company Secretary & Vice President  
Ashapura Minechem Ltd.  
Jeevan Udyog Building, 3<sup>rd</sup> Floor,  
278, D. N. Road, Fort, Mumbai-400001  
E-mail id: [sachin@ashapura.com](mailto:sachin@ashapura.com)
  2. Shri Sandeep Nadkarni, DGM-Finance  
Ashapura Minechem Ltd.  
Jeevan Udyog Building, 3<sup>rd</sup> Floor,  
278, D. N. Road, Fort, Mumbai-400001  
E-mail id: [sandeep@ashapura.com](mailto:sandeep@ashapura.com)
- iii. If the Protected Disclosure is received by any Executive(s) of the Company other than Vigilance and Ethics Officer/ Whistle Committee or the Chairman of the Audit Committee of the Company, then the same should be forwarded to the Vigilance and Ethics Officer/ Whistle Committee or the Chairman of the Audit Committee of the Company for further appropriate action. They must take appropriate care to ensure that the identity of the Whistle Blower does not get divulged in the process.
  - iv. Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the Whistle Blower and should provide a clear understanding of the improper activity involved or issue/concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible and should help in initial assessment and investigation.
  - v. The Protected Disclosure should be forwarded under a covering letter which shall preferably bear the identity of the Whistle Blower. For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/her identity in the covering letter forwarding such Protected Disclosure.
  - vi. The Vigilance and Ethics Officer/ Whistle Committee or the Chairman of the Audit Committee, as the case may be, shall detach the covering letter and verify/confirm the authenticity of the Whistle Blower. On receipt of confirmation, the protected disclosure may be forwarded to the investigators for investigation.
  - vii. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

## **8. INVESTIGATION AND ROLE OF INVESTIGATOR(S):**

- i. All Protected Disclosures under this policy will be recorded and thoroughly investigated by the Vigilance and Ethics Officer/Whistle Committee or the Chairman of the Audit Committee in accordance with the normal procedure.
- ii. The Vigilance and Ethics Officer/Whistle Committee or the Chairman of the Audit Committee may, at its discretion, consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- iii. Investigations will be launched only after a preliminary review by the Vigilance and Ethics Officer/Whistle Committee or the Chairman of the Audit Committee which establishes that:
  1. The alleged act constitutes an improper or unethical activity or conduct, and
  2. The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter deserves review.
- iv. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Vigilance and Ethics Officer/Whistle Committee of the Company / the Chairman of the Audit Committee when acting within the course and scope of their investigation.
- v. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of legal and professional standards.
- vi. The decision to conduct an investigation is by itself not an accusation and is to be considered 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.
- vii. The identity of a Subject(s) and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- viii. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- ix. Subject(s) shall have a duty to co-operate with the Vigilance and Ethics Officer/Whistle Committee or the Chairman of the Audit Committee or any of the Investigators appointed in this regard during the investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

- x. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/Whistle Committee/ Investigators and/or members of the Audit Committee and/or the Whistle Blower. This may involve representation including legal representation. Subject shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- xi. 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). If the Subject is found indulging in any such actions, the Subject will be liable for the disciplinary action.
- xii. Unless there are compelling reasons not to do so, the 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.
- xiii. 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.
- xiv. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure and is extendable by such period as the Vigilance and Ethics Officer/Whistle Committee or the Chairman of the Audit Committee deems fit.
- xv. The Vigilance and Ethics Officer/Whistle Committee or any member of the Audit Committee or other Investigators having any conflict of interest with the matter shall disclose his/her concern/interest forthwith and shall not deal with the matter.
- xvi. In case the Subject is the Chairman/Executive Director/Managing Director/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to the other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

## **9. DECISION AND REPORTING:**

- i. If an investigation leads the Vigilance and Ethics Officer/Whistle Committee/ Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer/Whistle Committee/ Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as Vigilance and Ethics Officer /Whistle Committee/ Chairman of the Audit Committee may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy



shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

- ii. The Vigilance and Ethics Officer/Whistle Committee shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her/it since the last report together with the results of investigations, if any.
- iii. If the report of investigation is not to the satisfaction of the Whistle Blower, the Whistle Blower has the right to report the event to the Sole Arbitrator or Conciliator.
- iv. A Whistle Blower, who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance and Ethics Officer/Whistle Committee or the Chairman of the Audit Committee, shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.
- v. A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board of Directors of the Company.

#### **10. SECRECY / CONFIDENTIALITY:**

The Whistle Blower, Vigilance and Ethics Officer/Whistle Committee, Members of the Audit Committee, the Subject and everybody involved in the process shall:

- a. Maintain confidentiality of all matters under this Policy
- b. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- c. Not keep the papers unattended anywhere at any time
- d. Keep the electronic mails / files under password.

#### **11. CONFIDENTIALITY & PROTECTION:**

- i. 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 the 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 Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in

criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

- ii. 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 suitable action to the management.
- iii. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the Whistle Blower will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Vigilance and Ethics Officer/Whistle Committee or the Chairman of the Audit Committee.
- iv. In the event of the identity of the Whistle Blower being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. 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.
- v. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- vi. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

## **12. 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.

## **13. 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 7 (seven) years or such other period as specified by any other law in force, whichever is more.

## **14. ADMINISTRATION AND REVIEW OF THE POLICY:**

The Board of Directors shall be responsible for the administration, interpretation, application and review of this policy. The Board also shall be empowered to bring

about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

**15. AMENDMENT:**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. Modification may be necessary, among other reasons, to maintain compliance with local, state and central regulations and/or accommodate organizational changes within the Company. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to the Directors/Employees.

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