

Damodar Industries Limited

Reg. Off. 19/22 & 27/30, Pandurang Budhkar Marg, Worli, Mumbai – 400 013

Corporate Identity Number: L17110MH1987PLC045575

Tel: +91 – 022 -49763203

●E-mail:cs@damodargroup.com●www.damodargroup.com

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Date of Implementation/Effective of policy	April 01,2014
Last amended date	September 11,2020

1. PREFACE

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Company has adopted the ethical code of conduct for the highest degree of transparency, integrity, accountability and corporate social responsibility. Any actual or potential violation of the Code would be a matter of serious concern for the company. The Directors, Employees and Person dealing with the Company can play an important role in pointing out such violations of the code.

Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and Section 177 of the Companies Act, 2013 inter alia, 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 unethical behaviour, actual or suspected, fraud or violation of the company’s code of conduct.

POLICY

In compliance of the above requirements, Damodar Industries Limited, being a Listed Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

POLICY OBJECTIVES

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This 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 about a personal situation.

2. THE DEFINITIONS OF SOME OF THE TERMS USED IN THIS POLICY ARE GIVEN BELOW:

- a) “**Alleged Person**” means a person purportedly involved in the unethical practice and against whom or in relation to whom a Reported Disclosure has been made or evidence gathered during the course of an investigation.
- 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) **Vigilance Officer/Vigilance Committee or Committee**” is a person or Committee of persons, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee or its disposal and informing the Whistle Blower the result thereof.
- d) **“Whistle Blower”** is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.
- e) **“Compliance Officer”** means Company Secretary of the Company.
- f) **“Employee”** means every employee of the Company (whether working in India or abroad), including the Managing Director / Executive Director who are in whole time employment of the Company.
- g) **“Investigators”** means committee of officials as may be decided by the Audit.
- h) **“Person dealing with the Company”** means Government Authorities/Departments, Local Bodies, Business Associates, contractual service providers, contractors, agency staff or any other outside parties /non-employees dealing with the Company, whether directly or indirectly.
- i) **“Reported Disclosure”** means any communication made in good faith that demonstrates information that may evidence any instance of unethical or improper behaviour/practice (not necessarily a violation of Law), actual or suspected fraud or violation of the Company’s Code of Conduct Policy (the unethical practice).

Examples of unethical practice:

- Criminal offences (corporate fraud, corruption, bribery or theft), which has been or is likely to be committed.
- Unethical business conduct and serious irregularities, regulatory or financial.
- Conflict of business interests.
- Misuse of Company Assets, Authority, Funds etc.
- Wilful suppression of facts or Mis-statement in any Company’s records.
- Falsification of transactions/documents.
- Miscarriage of justice or any wilful discrimination by the Management.
- Actions taken or proposed to be taken by the Management or acts of omissions by Management which will endanger safety of any employee/ person.
- Misuse of authority which may adversely affect the interest of the Company.
- Any other form of improper action or conduct.

3. Scope

All Directors or Employees of the Company and other persons dealing with the Company are eligible to make Reported Disclosures under the Policy. The Reported Disclosures may be in relation to matters concerning the Company and those dealing with the Company.

4. Disqualifications

While it would be ensured that the identity of genuine Whistle Blowers are protected and they are not subject to any kind of unfair treatment, any misuse of such protection would warrant disciplinary action. Protection under this Policy would not mean protection from disciplinary action against false or bogus allegations made by a Whistle Blower, knowing it to be false or bogus, or any reported disclosures made with a mala fide intention.

Whistle Blowers, who make three or more Reported Disclosures, which have been subsequently found to be malafide, frivolous, malicious, or reported otherwise than in good faith, will be disqualified from making further Reported Disclosures under this Policy and suitable disciplinary action shall be initiated against such employee/person.

5.Procedure

- a. All protected disclosure concerning Accounts/Finance matters should be address to the Chairman of the Audit Committee for further investigation.
- b. In respect of all other protected disclosures, those concerning Ethical Counsellor or Employees at the level of Departmental head and above should be addressed to the Chairman of Audit Committee of the Company and those concerning with other employee should be address to the Ethics Counsellor of the Company.
- c. The Contact details of the Chairman of the Audit Committee and Counsellor are as follow:
 - i) The Chairman of Audit Committee: Mr. Ketan K. Patel (patelketan1953@gmail.com)
 - (ii) The ethical Counsellor: Mr. Ajay D. Biyani (ajay.biyani@gmail.com)
- d. If any protected disclosure received from any executive of the Company other than Chairman of Audit Committee or the Ethic Counsellor, the same should be forward to the Company's Counsellor or Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of Whistle Blower Confidential.
- e. The Protected Disclosure should preferably reported in writing so as to ensure a clear understanding of the issue raised and should either be typed or writing in legible handwriting in English, Hindi or regional language of the place of employment of Whistle Blower.
- f. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee or Ethical Counsellor , as the case may be, shall detached the covering letter and forward only to the Investigator for the Investigation.
- g. Protective disclosure should be factual and not speculative or in the nature of a conclusion and should contain as much as specific information as possible for allow for proper assessment of the nature and extent of the concern.
- h. For the purpose of providing protection to the Whistle Blower, The Whistle Blower should disclose his/her identity in covering letter forwarding such protected disclosure.

7. Investigation

- a. All Protected Disclosure reported under this policy will be thoroughly investigated by the Chairmen of the Audit Committee or Ethic Counsellor, who will investigate/oversee investigation under the authorization of the Audit Committee.
- b. The Ethic Counsellor/Chairman of the Audit Committee may at his discretion, consider involving any Investigator for the purpose of Investigation.
- c. The decision to conduct an investigation taken by the Ethics Counsellor/Chairman of the Audit Committee is by itself not 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.
- d. The identity of the subject and Whistle Blower will be confidential to the extent possible given the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunity for providing their inputs during the investigation.
- f. Subjects have a duty to co-operate with the ethics Counsellor/Chairman of the Audit Committee or any of the investigator during investigation to the extent that such cooperation will not compromise self-incrimination protection under the applicable laws.
- g. Subjects have a right to consult with a person or persons of their choice. Other than Ethics Counsellor/Chairman of the Audit Committee and/or the Whistle Blower. Subject shall be free at any time to engage the counsel at their own cost to represent them in the investigation proceedings. However, if the

allegations against the subject are not sustainable, then the Company may see reason to reimburse such costs.

h. Subjects 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.

i. Unless there are compelling reasons not to do so, subjects 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 good evidence in support of the allegation.

j. Subjects have a right to be informed of the outcome of the investigation. 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.

k. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

8. Protection

a. 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 Blower. Complete protection will, therefore, be given to Whistle Blower 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/her 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 any 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.

b. The 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.

c. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9. Investigators

a. Investigators are required to conduct a process towards fact-finding and analysis. Investigator shall derive their authority and access from the ethics Counsellor/Audit Committee when acting within the course and scope of their investigation.

b. 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 duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.

c. Investigation will be launched only after a preliminary review by the Chairman of the Audit Committee or the Ethic Counsellor, as the case may be, which establishes that:- i. The alleged act constitutes an improper or unethical activity or conduct, and ii. The allegation is supported by information specific enough to be investigated or in cases where allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or conduct.

10. Decision

If any investigation leads the Ethic Counsellor/Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the ethical Counsellor/Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Ethic Counsellor/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.

11. Reporting

The Ethic Counsellor shall submit a report the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the result of investigations, if any.

12. Retention of Documents

All Protected Disclosure in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of five years.

13. Amendment

Any subsequent amendment/modification in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Companies Act, 2013 and/or other applicable laws in this regard shall automatically apply to this Policy. Further, the Board may amend any of the provisions of this Policy as and when it deems fit.
