

INDO BORAX & CHEMICALS LIMITED

WHISTLEBLOWER POLICY

1. Preface

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

The Company is committed to developing a culture where it is safe for any Whistle Blower to raise concerns about any poor or unacceptable practice and any event of misconduct. Towards this end, the Company has adopted the Indo Borax & Chemicals Limited Code of Conduct and Ethics Code (“the Code”), which lays down the principles and standards that should govern the actions of the Company and their employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. There is a provision under the Code requiring employees to report violations.

Clause 49 of the Listing Agreement between listed companies and the Stock Exchange requires 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 or Ethics Policy.

Accordingly, this Whistle Blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees of the Company to approach the Whistle Blower Officer/ Committee or Chairman of the Audit Committee of the Company.

The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects the Whistle Blower wishing to raise a concern about serious irregularities within the Company. The Policy neither releases Whistle Blowers from their duty of confidentiality in the course of their work, nor is it to be misused to surface a grievance about a personnel work-related situation.

This Policy will be posted on the Company’s website www.indoborax.com.

2. Applicability

This Policy is applicable to all Employees and other persons dealing or having association with the company.

This Policy has been drawn up so that Whistle Blowers can make Protected Disclosure under the Policy. The Protected Disclosure may be areas of concern in respect of the Company covered by this Policy and summarized in paragraph 5.

3. Definitions

“Audit Committee” means Audit Committee constituted by the Board of Directors of the Company accordance with the provisions of Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchange.

“Board” / “Board of Directors” means the Board of Directors of the Company.

“Code of Conduct” means Code of Conduct and Ethics Code applicable to the directors and senior management adopted by the Company.

“Company” means Indo Borax & Chemicals Limited.

“Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings, including but not limited to, a warning, recovery of financial losses incurred by the Company, suspension/ dismissal from the services of the Company or any such action as is deemed to be fit considering the gravity of the matter.

“Employee” means every employee of the Company.

“Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity (as described more particularly in Clause 5) with respect to the Company. Protected Disclosures should be factual and not speculative or in the nature of an interpretations/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.

“Good Faith” an employee shall be deemed to be communicating in good faith if there is reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good faith shall be deemed lacking when the employee does not have personal knowledge on factual basis for the communication or where the employee knew or reasonably should have known that communication about unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

“Subject” means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

“Whistle Blower” means an Employee who makes a Protected Disclosure under this Policy.

“Whistle Blower Officer” or “Whistle Blower Committee” or “Committee” means an officer or committee of persons who is/are nominated / appointed to conduct detailed investigation of the disclosure received from whistle blower and recommend disciplinary action. Currently Executive Director is nominated as Whistle Officer. The Committee, if appointed, should include senior lever of officers of the company and representative of the department where the alleged malpractices has occurred.

4. The Guiding Principles

The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. To ensure that this Policy is adhered to, and to assure that the concerns raised under this Policy will be acted upon seriously, the Company will:

Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is/are not victimized for doing so;

Treat victimization of Whistle Blower as a serious matter including initiating Disciplinary Action against person(s) causing or allowing victimization of Whistle Blower;

Ensure complete confidentiality of identity of Whistle Blower;

Not to attempt to conceal evidence of the Protected Disclosure;

Take Disciplinary Action for event covered under this Policy (as mentioned in Clause 5) or upon victimizing Whistle Blower or any person processing the Protected Disclosure or if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

Provide an opportunity of being heard to the persons involved especially to the Subject.

5. Coverage of Policy

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

- i) An abuse of authority;
- ii) Breach of Code of Conduct or employment contract;
- iii) Manipulation of company data/records;
- iv) Financial or compliance irregularities, including fraud, or suspected fraud;
- v) Criminal offence having repercussions on the company or its reputation;
- vi) Pilferation of confidential/proprietary information;
- vii) Deliberate violation of law/regulation;
- viii) Misappropriation or misuse of Company funds/assets;
- ix) Breach of employee Code of Conduct or Rules;
- x) An act of discrimination or sexual harassment;
- xi) Any other unethical, imprudent deed/behaviour

The above list is only illustrative and should not be considered as exhaustive.

Policy should not be used as a route for raising malicious or unfounded allegations against colleagues.

6. Protection

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 Whistle Blower Officer/Committee would be authorised to take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

The identity of the Whistle Blower shall be kept confidential and shall be disclosed only on need to know basis.

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

Protection to Whistle Blower under this Policy shall be available provided that Protected Disclosure is:

- i) made in good faith;
- ii) the Whistle Blower has reasonable information or documents in support thereof; and
- iii) not for personal gain or animosity against the Subject.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to Disciplinary Action as may decide by the Whistle Blower Officer/Committee constituted under this Policy.

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.

Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Whistle Blower Officer/Committee/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

7. Protected Disclosure

All Protected Disclosures should be addressed to Executive Director of the Company at Registered Office.

Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed written or written in a legible handwriting in English or in Hindi.

The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. Anonymous disclosures may not be entertained.

8. Investigation

On receipt of Protected Disclosure, the Executive Director shall expeditiously forward a copy of the same to Committee members. The Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, the Committee may perform all such acts as it may deem fit at its sole discretion, including, the following functions:

- i) to obtain legal or expert view in relation to Protected Disclosure;
- ii) appoint external agency to assist in investigation;
- iii) seek assistance of Internal Auditor;
- iv) request any officer(s) of the Company to provide adequate financial or other resources for carrying out investigation;
- v) to seek explanation or solicit Subject's submission on Protected Disclosure or give reasonable opportunity to respond to Subject on material findings contained in investigation report;
- vi) to call for any information /document and explanation from any employee of the Company or other person(s) as they may deem appropriate for the purpose of conducting investigation.

The investigation shall be completed normally within 30 days of the receipt of the Protected Disclosure. The Committee shall have right to outline a detailed procedure for an investigation. The identity of the Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

The Subject shall have a duty to co-operate with the investigator and responsibility not to interfere or obstruct with the investigation process. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject.

The Subject, if found indulging in any such actions then that will make the Subject liable for disciplinary actions. Under no circumstances, Subject should compel investigator to disclose the identity of the Whistle Blower.

A report shall be prepared after completion of investigation by the Officer(s) investigating the matter which shall be submitted to the Audit Committee. Upon receipt of report, the Committee shall submit the same along with recommendations to the Board for Disciplinary Action after providing reasonable opportunity of being heard to the Subject. No allegation of wrongdoing against the Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

After considering the report and recommendations as aforesaid, the Board shall determine and finalise the Disciplinary Action as it may deem fit.

9. Secrecy/Confidentiality

The Whistle Blower, the Subject, the Senior Officer(s) and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter under this Policy;
- b. not discuss the matters under this Policy in any informal/social gatherings/ meetings;
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations as directed by Audit Committee;
- d. not keep the papers unattended anywhere at any time;
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such Disciplinary Action as is considered fit by the Whistle Blower Committee or Audit Committee as the case may be.

10. Reporting

The Whistle Blower Officer/Committee shall submit a report to the Audit Committee on all the Protected Disclosures, together with results of investigations, Disciplinary Actions recommended and implemented.

11. Retention of Documents

All Protected Disclosures, documented along with the results of Investigation relating thereto, shall be retained by the Company for a minimum period of 5 (five) years or as mentioned in applicable law, if any.

12. Amendment

Company is entitled to amend, suspend or rescind this policy at any time. Whilst, company has made best effort to define detailed procedure for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedure. Such difficulties and ambiguities will be resolved in line with the broad intent of the policy.