



Himadri Speciality Chemical Ltd

Vigil Mechanism / Whistle Blower Policy

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Purpose

At Himadri, we are dedicated to fostering an ethical, transparent, and accountable environment. This Vigil Mechanism/Whistle Blower Policy is designed to provide a secure platform for employees, directors, and stakeholders to report genuine concerns about unethical behaviour, fraud, or violations of company policies, while ensuring protection from retaliation.

We believe in promoting integrity, openness, and a sense of responsibility, and we encourage our people to come forward without fear to raise concerns. This policy ensures prompt investigation of all reported matters and commits to resolving them in a fair and just manner.

Scope

This policy applies to all employees, directors, stakeholders, third-party contractors, and anyone involved with Himadri. It covers all concerns related to unethical behaviour, suspected fraud, violation of laws or company policies, and any other activities that may harm the company's interests.

Organization and Responsibilities

- **Audit Committee:** The Audit Committee oversees the implementation of the Vigil Mechanism, ensuring that all reported concerns are addressed with confidentiality and neutrality.
- **Vigilance Officer (Company Secretary):** The Company Secretary, acting as the Vigilance Officer, is responsible for receiving, reviewing, and investigating whistle-blower complaints. The Vigilance Officer also submits reports to the Audit Committee, ensuring that all complaints are handled efficiently and confidentially.
- **Reporting Manager:** The Reporting Manager plays a critical role in ensuring that concerns raised by employees are escalated to the Vigilance Officer if needed. The Reporting Manager must encourage openness and assure employees of protection from retaliation while assisting in the preliminary review of concerns.
- **Sustainability (ESG) Council:** The ESG Council ensures that the ethical concerns raised align with the company's broader sustainability goals, environmental, social, and governance principles. They collaborate with the Audit Committee to ensure the company maintains its commitment to responsible business practices.
- **Whistle Blower:** Any employee, director, or stakeholder who raises a concern in good faith regarding unethical behaviour, fraud, or policy violations is considered a whistle-blower. The whistle-blower is expected to report concerns with factual accuracy and good intent.

Our Beliefs

- Transparency and integrity are essential to the long-term success of our organization.
- Every individual within the company has a responsibility to uphold ethical behaviour.
- Whistle-blowers deserve protection from retaliation and fair treatment.



Our Aims

- Provide a secure, confidential, and transparent mechanism for reporting concerns.
- Protect whistle-blowers from victimization, retaliation, or adverse consequences.
- Ensure thorough and impartial investigation of all concerns raised.
- Promote ethical behaviour and maintain a culture of integrity at all levels of the organization.
- Zero tolerance for abuse of dominance.

Our Commitments

- **Confidentiality:** Ensure complete confidentiality for all concerns raised and protect the identity of the whistle-blower unless required by law.
- **Zero Retaliation:** No whistle-blower will face retaliation or adverse action for reporting concerns in good faith. We aim for zero incidents of retaliation by 2024.
- **Prompt Investigation:** 90% of all concerns will be investigated and resolved within 90 days, with extensions granted only under exceptional circumstances.
- **Awareness and Training:** Ensure 100% of employees will receive training and awareness on the Vigil Mechanism on annual basis.
- **Accessible Reporting Mechanism:** Ensure that by 2024, 100% of employees and stakeholders have access to multiple reporting channels (drop box, email, hotline, and direct reporting).
- **Performance Tracking:** Quarterly reporting of whistle-blower complaints and resolutions to the Audit Committee and Board, targeting a 100% resolution rate for validated concerns by 2025.
- **Zero Tolerance for Retaliation:** Ensure no incidents of retaliation are reported, with any incidents resolved within 60 days.

Reporting Channels

To ensure that concerns are reported securely and conveniently, Himadri provides multiple reporting channels:

1. **Direct Reporting:** Employees can directly report concerns to the Vigilance Officer (Company Secretary) in person.
2. **Reporting Manager:** Employees may initially report their concerns to their Reporting Manager, who is responsible for ensuring that the complaint is escalated to the Vigilance Officer if appropriate.
3. **Anonymous Reporting via Drop Box:** Drop boxes will be placed in key locations for submitting anonymous written complaints.
4. **Email Reporting:** Concerns can be emailed to hcilvigilance@gmail.com, marked as "Protected Disclosure under the Whistle Blower Policy."
5. **Hotline Reporting:** A confidential hotline 1800 123 8390 will be available 24/7 for anonymous reporting of concerns.



Procedure for Reporting

- **Timeline for Reporting:** Concerns should be reported within 30 to 60 days of discovering the issue.
- **Content of Reports:** Reports should be detailed and include facts, evidence, and any relevant information to assist in a proper investigation.
- **Submission:**
 - Direct reports should be submitted to the **Vigilance Officer** (Company Secretary).
 - Employees can initially report their concerns to their **Reporting Manager**, who will facilitate the escalation to the Vigilance Officer.
 - Complaints involving senior management can be submitted directly to the **Chairman of the Audit Committee**.
- **Anonymous Complaints:** Anonymous complaints submitted via the drop box or hotline will be given the same consideration as identified reports, though whistle-blowers are encouraged to provide as much detail as possible for a thorough investigation.

Investigation and Resolution

All concerns submitted will be reviewed by the **Vigilance Officer (Company Secretary)**, and, if valid, a detailed investigation will be carried out either internally or with the assistance of external experts. The investigation will be concluded within 90 days, with possible extensions in exceptional cases. The findings and recommendations will be submitted to the Audit Committee, which will decide on appropriate disciplinary or corrective actions.

Governance

This policy is governed by the **Audit Committee** and the **Sustainability (ESG) Council** of Himadri. The Audit Committee will oversee the functioning of the Vigil Mechanism, ensuring fairness and confidentiality. The Sustainability (ESG) Council will align ethical concerns with the company's broader ESG goals and sustainability initiatives. Quarterly reports on whistle-blower cases will be submitted to the Board.

Policy Review

This policy will be reviewed every 3 years, or earlier if necessary, to reflect changes in regulatory requirements or organizational needs.