

## Vigil Mechanism Policy

### 1. Introduction

The Company believes in conducting all affairs of its constituents in fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The organization is committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and processes to interpret and apply these laws and regulations in the organizational environment. These would help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

Through this policy, the organization is providing a window through which irregularities may be brought to light, by individuals who may be interacting with /observing the organization in the course of their business. The information provided would be useful in making its processes and systems more robust, and sustainable.

This policy encourages all the employees and other parties to come out with their complaints as to any kind of misuse of company's properties, mismanagement or wrongful conduct prevailing in the company, if any.

**Whistle Blower** could be an employee past or present who may provide information about his or her employer/ex-employer to the Audit Committee of the company either through telephonic or written communication with relevant information, without fear of retaliation of any kind.

### 2. Purpose

- i. To encourage the employees to report to the management about suspected unethical behaviors, malpractices, wrongful conduct, fraud violation of the company's policy including code of ethics and conduct violation of law or questionable accounting or auditing matters by any employees/ director in the company without any fear of retaliation.
- ii. To build and strengthen a culture of transparency and trust in the organization.

### 3. Definitions

The definitions of some of the key terms used in this policy are given below:

- a. "**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 Regulation 18 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015.
- b. "**Employee**" means any employee past or present, of the Company.
- c. "**Director**" means any Executive, Non-Executive, Nominee or Alternate Director of the Company.
- d. "**Investigators**" mean any person(s) duly appointed/consulted by the Chairman of the Audit Committee to conduct an investigation under this policy.
- e. "**Whistle Blower**" means any Employee, Director, customer or vendor of the Company, making a Disclosure under this policy.
- f. "**Disclosure**" means any communication in relation to an unethical practice made in good faith by the Whistle Blower to the designated personnel under this policy.
- g. "**Unethical practice**" means and includes, but not limited to, the following suspected activities/ improper practices being followed in the Company:

- i. Manipulation of Company records;
- ii. Abuse of authority at any defined level in the Company;
- iii. Disclosure of confidential / proprietary information to unauthorized personnel;
- iv. Any instance as to discrimination by age, race, disability or sex;
- v. Any violation of applicable legal law and regulations to the Company, thereby exposing the Company to penalties/ fines;
- vi. Sexual harassment;
- vii. Any instances of misappropriation of Company funds/assets and/or corruption;
- viii. Activity violating any laid down Company policy, including the Code of Conduct;
- ix. Any other activities whether unethical or improper in nature and injurious to the interests of the Company;
- x. Use of official funds for political campaign;
- xi. Actual or suspected act by the Company or any of its personnel which is dangerous to public health or safety or degrading environment.

h. “**Subject**” means a person against or in relation to whom a Disclosure is made under this policy.

#### **4. Applicability**

The policy can be applicable to the following:

- a. All Employees of the Company;
- b. All Directors of the Company;
- c. All Customers of the Company; and
- d. All Vendors interacting with the Company.
- e. All partners

#### **5. Procedure for Reporting and initiating Disclosure/s**

##### **A. Reporting a Disclosure**

- i. Any Employee, Director, vendor, partner or customer of the Company may make a disclosure in writing, duly addressed to the Chairman of the Audit Committee.

His contact details are:

Chairman,  
Audit Committee,  
Eureka Forbes Limited  
(formerly Forbes Enviro Solutions Limited)

B1/B2, 701, Marathon Innova, Off  
Ganpatrao Kadam Marg, Lower  
Parel, Mumbai – 400013

Alternatively they can submit the Disclosure to the e-mail id:  
“whistle.blower@eurekaforbes.com”.

- ii. The Chairman of Audit Committee shall be assisted by the Company Secretary on such terms as he may deem fit, for the implementation and reporting under this policy.

- iii. Where a disclosure is being made in relation to a senior management employee (General Manager and above) or Director of the Company, such a disclosure may be made to the Chairman of the Company. In such case, the Chairman shall forward the complaint with suitable noting to the Chairman of Audit Committee for suitable action and reporting under the terms provided under this policy.
- iv. While doing so, Whistle Blower should take into consideration the applicable rules articulated under the policy which are as follows:
  - a. It is mandatory that the Whistle Blower discloses his/ her identity with contact details in the covering letter for ensuring timely resolution of the issue and also for ensuring that adequate protection is granted to him/ her under the relevant provisions of this policy.
  - b. No anonymous disclosure shall be entertained.
  - c. The Whistle Blower must address the following issues, while reporting any Disclosures under the policy:
    - 1. The Disclosures made should bring out a clear understanding of the issue being raised.
    - 2. The Disclosures made should not be merely speculative in nature but should be based on actual facts.
    - 3. The Disclosure made should not be in the nature of a conclusion and should contain as much specific information as possible to allow for proper conduct of the inquiry/ investigation.
- v. The Whistle Blower should be sent an acknowledgement within 48 hours of receipt of Disclosure either in writing or by e-mail, of receipt of Disclosure.

- vi. The Company Secretary must compile the list of Disclosures, along with recommendations for suitable action and present the same to the Chairman of the Audit Committee.

**B. Investigation**

- a. The Chairman of the Audit Committee has been duly authorized by the Board of Directors to investigate / oversee any Disclosures reported under this policy.
- b. All Disclosures made by the Employees under the policy shall be recorded and duly actioned in accordance with the recommendation made by the Audit Committee Chairman.
- c. The Audit Committee Chairman may at his own discretion, consider involving any Investigators for the purpose of conducting the investigation. However, the investigations shall be launched only after the review of Disclosure by the Audit Committee Chairman, which establishes that:

1. The Disclosure made, constitutes an unethical/ improper practice, as defined under the policy;

2. The Disclosure made is supported by adequate information to conduct an investigation.

However, the Audit Committee Chairman shall detach the covering letter, before forwarding the relevant Disclosure to the Investigators, to ensure that the confidentiality of the Whistle Blower is maintained during the inquiry/ investigation process.

- d. Any inquiry/ investigation conducted against any Subject shall not be construed by itself as an act of accusation and shall be carried out as a neutral fact finding process, without presumption of any guilt.
- e. The inquiry/ investigation shall be conducted in a fair manner and provide and equate opportunity for hearing to the affected party and a written report of the findings should be prepared for submission to the Audit Committee Chairman and the Audit Committee.
- f. The Audit Committee Chairman and the Investigators (after obtaining adequate authorization from the Audit Committee Chairman) shall have right to call for and examine any information / document of the Company, as may be deemed necessary for the purpose of conducting inquiry/ investigation under this policy.
- g. The Whistle Blower may (if required) request the Company Secretary report of the progress in the investigation of the Disclosure and the same must be provided.

**C. Subjects**

- a. All Subjects shall be duly informed about the disclosures of unethical practice(s) made against them at the commencement of the formal inquiry/ investigation process and shall have regular opportunities for providing explanations during the course of the inquiry/ investigation process.
- b. No Subjects shall directly/ indirectly interfere with the investigation process, till the completion of the inquiry/ investigation.

- c. The Subjects shall not destroy or tamper with any evidence, and shall have a duty to co-operate with the Audit Committee Chairman in the inquiry/ investigation process or with any of the Investigators appointed, till the time the inquiry/ investigation process is completed.

During the course of the inquiry/investigation process, all Subjects shall have a right to consult any person(s) of their choice, other than the Investigators and/or Audit Committee Chairman, and engage any legal counsel at their own cost to represent them in any inquiry/ investigation proceedings.

- d. All Subjects shall have a right to be informed about the results of the investigation process and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process.
- e. All Subjects shall be given an opportunity to respond to results of the inquiry/ investigation as contained in an investigation report. No allegation of wrongdoing against any Subject shall be considered as tenable, unless the allegations are duly supported by valid evidence in support of the allegation.
- f. Where the results of the inquiry/ investigation highlight that the allegations made against the Subject are eventually dismissed as non-tenable, then the Company can reimburse all such reasonable costs as shall have been incurred by the Subject to defend him/her, during the process of inquiry/ investigation. In such cases, the Subject should also be consulted whether a public Disclosure of the investigation result would be in their best interest and the necessary Disclosures made. The Audit Committee Chairman shall have the final discretion on whether such disclosure is necessary and if yes, then on the scope and medium of such disclosure.
- g. Subject shall cooperate at all times till completion of the Inquiry/investigation proceedings.
- h. Subject shall accept the final decisions unless disputed by him/her.

## **6. Protection to Whistle Blower**

- a. The identity of the Whistle Blower, Subject and any other Employee assisting in the inquiry/ investigation, shall be kept confidential at all times, except during the course of any legal proceedings, where a Disclosure/ statement is required to be filed.
- b. The Company, as a policy, can strongly condemn any kind of discrimination, harassment or any other unfair employment practice being adopted against the Whistle Blowers for Disclosures made under the policy. No unfair treatment shall be vetted out towards the Whistle Blower by virtue of his/her having reported a Disclosure under this policy and the Company shall ensure that full protection has been granted to him/her against:
  - i. Unfair employment practices like retaliation, threat or intimidation of termination/suspension of services, etc;
  - ii. Disciplinary action including transfer, demotion, refusal of promotion, etc;
  - iii. Direct or indirect abuse of authority to obstruct the Whistle Blowers right to continue performance of his duties/functions during routine daily operations, including making further Disclosures under this policy.

- c. The Whistle Blower may also report any violation of the above clause to the Audit Committee Chairman, who may direct an investigation into the same and recommend suitable action to the management.

## **7. Decision**

If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed by the Subject, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the he 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.

## **8. Violation of Policy and action against misuse of Policy**

- a. Bringing to light personal matters regarding another person, which are in no way connected to the organization would constitute violation/misuse of this policy;
- b. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action and would be taken up with utmost sternness.
- c. 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
- d. Whistle Blowers, who make any Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this Policy.
- e. Actions against such violations could range in their severity, if necessary even extending up to termination of one's employment/ contract/ association with the organization.

## **9. Reporting**

All instances of Disclosures noted as part of the policy, including results/status of all the inquiries/ investigations made against such Disclosures shall be documented and a final report shall be prepared for the Office of the Chairman of the Audit Committee on a quarterly basis.

The Chief Internal Auditor and the Company Secretary shall prepare a report to be presented before the Audit Committee, highlighting the following:

- i. The nature of reported Disclosures made under the policy during the quarter and the proposed action thereon;
- ii. The status of earlier reported Disclosures and the action taken thereon until completion;
- iii. Results/status of any investigations/enquiries in reference to the Disclosures; and
- iv. Any other matter, as the Chief Internal Auditor and the Company Secretary may deem fit.

The Chairman of the Audit Committee in turn shall also recommend to the Management of the Company, the necessary actions to be taken, which may include:

- i. Revision of the necessary Company policies and procedures;
- ii. Action to be taken against the concerned personnel;
- iii. Any other action which the Audit Committee Chairman deems fit.

**10. Effective Date**

The effective date of the policy shall be January 31, 2022.

**11. Amendments**

This policy can be amended or modified from time to time by the Company after due consultation with the Corporate Governance Committee/Board of Directors to take care of the changing business environment.

All Disclosures made by the Whistle Blower or documents obtained during the course of inquiry/ investigation, along with the results of investigation relating thereto, shall be retained by the Company for a minimum period of 7 years.