



## SMARTCHEM TECHNOLOGIES LIMITED

Registered Office: Sai Hira, Survey No 93, Mundhwa, Pune 411036

# WHISTLE BLOWER POLICY

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### 1. Preface

- 1.1 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.
- 1.2 The Company is committed to developing a culture where it is safe for all Directors and Employees to raise concerns about any unacceptable practice and any event of misconduct.
- 1.3 The provision of Section 177 of the Companies Act, 2013 read with rules made there under inter- alia, provides, for all listed companies and certain class of Companies to formulate a vigil mechanism called “Whistle Blower Policy” for directors and 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.
- 1.4 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects Directors and Employees wishing to raise a concern about serious irregularities within the Company.
- 1.5 The policy neither releases directors and/or employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

### 2. Applicability

The policy applies to all the Directors and employees of Smartchem Technologies Limited (the Company).

### 3. Policy

- 3.1 This Policy is for the Directors and Employees as defined hereinafter.
- 3.2 The Policy has been drawn up so that Directors and Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph 5.

#### 4. Definitions

- 4.1 “Audit Committee” means the Audit Committee of the Board constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013
- 4.2 Director means every Director on the Board of Directors of the Company.
- 4.3 “Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 4.4 “Employees” means every employee of the Company (whether working in India or abroad).
- 4.5 “Protected Disclosure” means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence explicit or implicit unethical or improper activity.
- 4.6 “Subject” means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 4.7 “Whistle Blower” is someone who makes a Protected Disclosure under this Policy.
- 4.8 “Nodal Officer” means the officer specified in clause 8.5 hereunder or any other persons who is nominated/appointed to conduct detailed investigation by the Competent Authority.
- 4.9 “Competent Authority” means the person responsible to receive complaints under this Policy. It will be the Managing Director for receiving complaints from the Whistle Blower up to the level of and including the Presidents or such other persons as the Board may nominate.

#### 5. 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:

- 5.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so.
- 5.2 Treat victimization as a serious matter including initiating disciplinary action on such person/(s).
- 5.3 Ensure complete confidentiality.
- 5.4 Not attempt to conceal evidence of the Protected Disclosure.
- 5.5 Take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure made/to be made.
- 5.6 Provide an opportunity of being heard to the persons involved especially to the Subject.

## 6. Coverage of Policy

- 6.1 The Policy covers malpractices and events which have taken place/suspected to take place involving:
  - Abuse of authority
  - Breach of contract
  - Negligence causing substantial and specific danger to public health and safety
  - Manipulation of the Company data/records
  - Financial irregularities, including fraud, or suspected fraud
  - Criminal offence
  - Perforation of confidential/propriety information
  - Deliberate violation of law/regulation
  - Wastage/misappropriation of the Company funds/assets
  - Breach of Code of Conduct or Rules
  - Events which can be categorized as unethical and inappropriate
- 6.2 Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

## 7. Disqualifications

- 7.1 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.
- 7.2 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.
- 7.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to be prosecuted as per the discretion of Competent Authority.

## 8. Manner in which concern can be raised

- 8.1 Directors and Employees can make Protected Disclosure to Competent Authority, as soon as possible but not later than 15 consecutive days after becoming aware of and/or possessing evidence for the same. The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the Whistle Blower/complainant i.e. his/her Name, Employee Number and Location, and should be inserted in an envelope which should be closed/secured/sealed. The envelope thus secured/sealed should be addressed to the Competent Authority and should be super scribed "Protected Disclosure". (If the envelope is not super scribed and closed/sealed/secured, it will not be possible to provide protection to the Whistle Blower as specified under this policy). The Address of the Competent Authority is provided below:

Chairman & Managing Director Smartchem Technologies Limited Sai Hira, Survey No.93, Mundhwa, Pune 411036 Email id: <a href="mailto:whistlestl@dfpcl.com">whistlestl@dfpcl.com</a>	(In exceptional circumstances) Chairman of the Audit Committee Smartchem Technologies Limited Sai Hira, Survey No.93, Mundhwa, Pune 411036 Email id: <a href="mailto:chairman.ac.stl@dfpcl.com">chairman.ac.stl@dfpcl.com</a>
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- 8.2 Whistle Blower should put his/her name to allegations. Anonymous protected disclosures will be reviewed only on the basis of supportable evidence.
- 8.3 Protected Disclosure should be either be typed or written in legible handwriting in English, Hindi or regional language of the place of the 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 to allow for preliminary review and proper assessment.
- 8.4 If initial enquiries by the Competent Authority indicate that the concern has no basis, or it is not a matter to be pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- 8.5 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Competent Authority alone, or by a Nodal Officer nominated by the Competent Authority for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made. The details of Nodal Officer are provided below:

Mr. Jayaraman Ramesh,  
VP - Management Assurance, Risk Management and Corporate Governance  
of Deepak Fertilisers and Petrochemicals Corporation Limited (DFPCL)  
Email id: [jayaraman.ramesh@dfpcl.com](mailto:jayaraman.ramesh@dfpcl.com)

8.6 Name of the Whistle Blower shall not be disclosed to the Nodal Officer.

8.7 The Competent Authority/Nodal Officer/ shall:

- Make a detailed written record of the Protected Disclosure. The record will include:
  - Facts of the matter
  - Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof.
  - Whether any Protected Disclosure was raised previously against the same Subject.
  - The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
  - Findings of Competent Authority/Nodal Officer.
  - The recommendations of the Competent Authority/Nodal Officer on disciplinary/other action/(s).
- The Nodal Officer shall finalise and submit the report to the Competent Authority within 15 days of being nominated/ appointed.

8.8 On submission of report, the Nodal Officer shall discuss the matter with Competent Authority who shall either:

- In case the Protected Disclosure is proved, accept the findings of the Nodal Officer and take such Disciplinary Action as he may think fit and take preventive measures to avoid recurrence of the matter.
- In case the Protected Disclosure is not proved, extinguish the matter; or Depending upon the seriousness of the matter, Competent Authority may refer the matter to the Committee, as may be constituted by the

Chairman of Audit Committee with proposed disciplinary action/counter measures. The Committee, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its recommendation. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.

#### 9. Whistle Blower-Role & Protection ROLE:

- 9.1 The Whistle Blower's role is that of a reporting party with reliable information.
- 9.2 The Whistle Blower is not required or expected to conduct any investigations on his own but is expected to provide all details/evidence which substantiates his suspicions/concerns.
- 9.3 The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he shall not have a right to participate.
- 9.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.
- 9.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reason.

#### PROTECTION

- 9.6 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy.
- 9.7 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, discrimination, any type of harassment, biased behaviour 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.

- 9.8 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.
- 9.9 The identity of the Whistle Blower shall be kept confidential.
- 9.10 Any other Director and/or Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

## 10. Secrecy/Confidentiality

The Whistle Blower, the Subject, the Nodal Officer and everyone involved in the process shall:

- Maintain complete confidentiality/ secrecy of the matter
- Not discuss the matter in any informal/ social gatherings/ meetings
- Discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- Not keep the papers unattended anywhere at any time
- 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.

## 11. Reporting

A quarterly report with number of complaints accepted as investigable by the competent authority received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

**12. Amendment**

This policy can be modified at any time by the Board of the Company upon recommendation of the Audit Committee of the Company.

**13. Notification**

All heads of Department are required to notify and communicate the existence and contents of this policy to the employees of their department. The Whistle Blower Policy shall be displayed on the intranet portal of the Company, circulated to recognized union/management staff association. This policy, including amendments thereof, shall also be made available on [www.smartchem.co.in](http://www.smartchem.co.in)

For Smartchem Technologies Limited



Sailesh C Mehta

Chairman and Managing Director

24<sup>th</sup> May 2022

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