



## **Donear Industries Limited**

### **Vigil Mechanism and Whistle Blower Policy**

#### **Introduction:**

The essence of Donear Governance philosophy is based on Fairness, Transparency, Accountability and Responsibility aligned with best management practices and ethical values.

Section 177 of the Companies Act, 2013 (“**the Act**”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”) as amended from time to time, requires Company to establish a Vigil Mechanism and Whistle Blower Policy for the Directors, employees and stakeholders to report genuine concerns

Accordingly, Donear has put in place “Vigil Mechanism and Whistle Blower Policy” (**Policy**) with a view to enable an individual to report genuine concerns about illegal and unethical practices in an effective, mature and responsible manner.

Donear has brought out this Vigil Mechanism and Whistle Blower Policy in order to promote openness among the employees and encourages them to report any sought of misconduct. While providing adequate protection to employees and other stakeholders, it encourage them to raise concerns and provides opportunity to receive feedback in relation to the actions taken it that regard.

This is mechanism which plays a vital role in the investigation of cases pertaining to suspected misconduct, management instances of unethical behavior, misuse of power (actual or suspected), fraud or violation of the Code of Conduct.

This Policy also aims to provide adequate safeguards against victimization of Directors, employees and other stakeholders who use this policy / mechanism and also make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

#### **Objective:**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourage its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

This Policy / Mechanism provides a channel to Directors, employees and other stakeholders to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code, violation of Policies for UPSI and/or the Policy. The mechanism also provides for adequate safeguards against victimization of Directors, employees and other stakeholders to avail the mechanism and also provide for direct access to the Managing Director or Chief Executive Officer / Chairperson of the Audit Committee in exceptional cases.

#### **Scope:**

The policy shall extend to whole of the Company. The policy shall be available on the Company’s Website at [www.donear.com](http://www.donear.com).



Stakeholder's who are eligible to make protected disclosures under this policy include (but are not restricted to) :

- a. Employees of the Company;
- b. Employees of other agencies deployed for the Company's activities; whether working from any of the Company's offices or any other location;
- c. Contractors, Vendors, Suppliers or Agencies (or any of their employees) providing any material or service to the Company;
- d. Customers of the Company;
- e. Any other person having an association with the Company.

Whistle Blower should not act on their own in conducting any investigate activities, nor do they have a right to participate in any investigative activities unless directed by the Chairman of the Audit Committee.

This Whistle Blower's role is to report or raise any concerns which the individual believes that there is an internal malpractice or wrongdoing which could affect the business or reputation of the Company. Any allegations which fall within the scope of the concerns identified below will be seriously considered and investigated.

These concerns would include but are not restricted to:-

- a. Fraud or suspected fraud;
- b. Negligence causing dangers to health and safety or the environment;
- c. Misappropriation of resources;
- d. Financial Malpractices;
- e. Failure to comply with legal requirements and Company's various policies;
- f. Improper conduct or unethical behavior;
- g. Attempts to conceal any material facts.

The following matters, however, are excluded from the Scope of this Policy:

- Personal grievances;
- Dissatisfaction with appraisals, rewards or other employment matter;
- Grievances relating to employment terms and conditions;
- Sexual harassment;
- Any business or operational suggestions;
- Other policies of the Company which are not inconsistent with the provisions of this policy.

**Definitions:**

**“Audit Committee”** or **“Committee”** means committee constitute by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Listing Regulations.

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



“**Company**” means Donear Industries Limited

“**Fraud**” means deliberate deception to secure or attempt to secure, unfair or unlawful benefit or gain from the Company or a third party. This may include the embezzlement of Company funds or the misappropriation of Company assets in the form of money, property, data or intellectual property.

“**Individuals**” means

1. any employee of the Company (whether working in India or abroad and whether temporary or permanent, those of deputation to other group companies);
2. the Director or Officer in the employment of the Company;
3. any trainees, seconded staff, interns, consultants of the Company and/or any person associated with the Company and/or its group entities;
4. individual, company, firm, institution who/which may come into contact with the Company during the course of business dealings/engagements;
5. actual and potential clients, customers, service providers, suppliers, distributors, business contacts, agents, advisers, retainers, government and public bodies, business associates.

“**Policy**” means the Vigil Mechanism and Whistle Blower Policy.

“**Protected Disclosure / Disclosure**” means a concern raised by Individual through written communication made in good faith that discloses or demonstrates information about an unethical or improper activity. Such Disclosures should be factual and not speculative in nature and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

“**Subject(s)**” means any individual or individuals against whom an allegation or Protected Disclosure has been made or evidence gathered during the course of an investigation.

“**Vigilance Officer**” means an officer appointed to receive Protected Disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal.

“**Whistle Blower**” is someone who, in good faith, raises any concern or activity, which he/she has reason to believe will fall under the category of malpractice, unethical, illegal, corrupt or reports any violation, misconduct or non-adherence with the provisions of this Policy, the Code, Policies for UPSI, other Company rules/policies and other applicable laws.

**Duties of Whistle Blowers:**

- a. Report any improper practice on time. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- b. Although they are not required to provide proof, they must have sufficient cause for concern.
- c. Avoid anonymity when raising a concern.



- d. Follow the procedures prescribed in this Policy for making a Disclosure.
- e. Co-operate with investigation authorities, maintaining full confidentiality.
- f. The intent of the Policy is to bring genuine and serious issues to the fore and it is not intended for petty Disclosures. Malicious allegations by employees may attract disciplinary action.
- g. A Whistle Blower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are subject of the allegation and investigation.

**Vigilance Officer:**

All suspected concerns/violations shall be reported to Mr. Ajay Agarwal, Vigilance Officer who shall act as Vigilance Officer for the purpose of this policy.

The contact details of the Vigilance Officer are as under:-

Contact No.: 022 – 6834 8100

Email Id: ajay@donear.com

Mailing Address:

Donear Industries Limited

Donear House, 8th Floor,

Plot No. A-50, Road No. 1,

MIDC, Andheri (East),

Mumbai – 400 093

Protected Disclosure should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of the employment of the Whistle Blower.

The Protected Disclosure should be forwarded under a covering letter. This shall bear the identity of Whistle Blower and should be super scribed as “**Protected disclosure under the Vigil Mechanism and Whistle Blower Policy**”. If the complaint is not super scribed, it will not be possible for the Vigilance Officer to protect the Whistle Blower and the protected disclosure will be dealt with as if it is a normal disclosure. The Vigilance Officer shall detach the covering letter and forward only the Protected Disclosure to the investigators for investigation. This process reassures the Whistle Blowers that their identity shall be completely protected.

The Protected Disclosure should be completely factual. Complete details must be elaborately discussed by the Whistle Blower to enable the right and swift course of action.

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairperson of the Audit Committee in exceptional cases.

Protected Disclosure against the Vigilance Officer and the Protected Disclosure against the Managing Director of the Company should be addressed to the Chairperson of the Audit Committee, directly.

The contact details of the Chairperson of the Audit Committee are as under:



Name and Address –

Chairperson of Audit Committee

Donear Industries Limited

Donear House, 8th Floor, Plot No. A-50, Road No. 1, MIDC, Andheri (East), Mumbai – 400 093

**Protection:**

No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a concern 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 Blowers.

Protection will be given to Whistle Blowers 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 Blowers right to continue to perform his duties/ functions including making further disclosure. The Company will take steps to minimize difficulties which the Whistle Blower may experience as a result of making the Disclosure.

A Whistle Blower may report any violation of the above referred provisions to the Chairperson of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the Whistle Blower will not be revealed unless he/she has made either his/her details public or disclosed his/her identity to any other office or authority. In the event, the identity of the Whistle Blower being disclosed wrongfully, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this Policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

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

The Whistle Blower before making a complaint is required to have reasonable information or cause to believe that an issue exists and he/she has made a complaint in good faith. Any complaint not made in good faith as may be assessed by the Audit Committee and shall be viewed seriously and the Whistle Blower shall be subject to disciplinary action by the Company. This Policy does not protect an Individual from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

On receipt of the Protected Disclosure, the Vigilance Officer / Managing Director / Chairperson of the Audit Committee shall ascertain from the Whistle Blower whether he / she was the person who made the Protected Disclosure or not. He / She shall also carry out initial investigation either himself / herself or by involving any other officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will *inter-alia* include:



- a. Brief facts;
- b. Whether the same Protected Disclosure was raised previously by anyone either on same subject or related thereto, and if so, the outcome thereof;
- c. Details of actions taken by Vigilance Officer / Managing Director / Chairperson of the Audit Committee for processing the complaint;
- d. Findings of the Audit Committee;
- e. The recommendations of the Audit Committee / other action(s).

The Vigilance Officer / Managing Director / Chairperson of the Audit Committee, if it deems fit, may call for further information or particulars from the Whistle Blower.

### **Anonymous allegations**

This Policy encourages individuals to put their name to any Disclosures they make. Disclosures expressed anonymously are much less credible but they may be considered at the discretion of the Audit Committee. In exercising this discretion, the factors to be taken into account will include:

- a. The seriousness of the issues raised;
- b. The credibility of the concern; and
- c. The likelihood confirming the allegation from attributable sources.

### **Untrue Allegations:**

In making a disclosure, the individual should exercise due care to ensure the accuracy of the information. If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against subject(s).

A Whistle Blower who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject(s) to the Vigilance Officer / Managing Director / Chairperson of the Audit Committee, he / she shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

### **Procedure after reporting a concern:**

All concerns under this policy will be investigated appropriately and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

It is the duty of every individual to cooperate in an investigation. The Vigilance Officer / Audit Committee may further investigate and at its discretion consider involving any other Officer of the Company and/or an outside agency for the purpose of such further investigation.

### **Duties of the Investigating Officer or Committee:**

- a. Proceedings of Investigation shall be conducted in a fair, unbiased manner;
- b. Fact finding process should be comprehensive;
- c. Confidentiality shall be the key word of the investigating committee / investigators;
- d. Decision on the outcome of the Investigation, whether an improper practice has been committed and if so by whom to be taken;
- e. Action to be taken, has to be developed by the committee.



**Right(s) of Subject(s):**

- a. All allegations on the Subject must be clearly communicated to him / her;
- b. The subject shall have opportunity for providing their inputs during the investigation and be heard by the Committee completely;
- c. Outcome of the Investigation shall be communicated to the Subject and shall be informed in writing also.

**Right(s) of Subject(s):**

- a. Subject(s) shall co-operate with Vigilance Officer / the Audit Committee or any of the officers appointed in this regard;
- b. Subject(s) shall not to interfere in investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by Subject(s).

**Time Frame:**

The Investigation shall be completed normally within 60 days of the receipt of the concern.

**Decision:**

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

It is clarified that any disciplinary or corrective action initiated against the Subject(s) 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.

The Vigilance Officer / Managing Director shall submit a report to the Chairperson of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

In case the Subject(s) is the Vigilance Officer / Managing Director / Chairperson of Audit Committee of the Company, the Protected Disclosure shall be forwarded to the Chairperson of the Audit Committee or other members of the Audit Committee as the case may be. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

**Secrecy / Confidentiality:**

The Whistle Blower, Vigilance Officer / Managing Director, Members of the Audit Committee, the Subject(s) and everybody involved in the process shall:

- a. Maintain confidentiality of all matters referred under this Policy;
- b. Discuss only to the extent or with those persons as required under this Policy for completing the process of investigations;
- c. Not keep the papers connected to the investigation unattended anywhere at any time;
- d. Keep the electronic mails / files, under password.



### **Access to Chairperson of the Audit Committee:**

The Whistle Blower shall have right to access Chairperson of the Audit Committee directly in exceptional cases.

### **Communication**

Employees and other Stakeholders shall be informed about this Policy through publishing on the website of the Company or by any other means of communication as may be decided.

### **Retention of Records:**

All disclosures in writing as well as all documents related to any Investigation and the results of the Investigation relating thereto shall be retained for a period of at least 5 years or such other period as specified by any other law in force, whichever is more.

### **Administration and Review of the Policy**

The Vigilance Officer / Whole-time Director / Managing Director / Compliance Officer shall be responsible for the administration, interpretation and application of this policy.

### **Amendment**

Subject to the applicable laws, the Board may amend this Policy from time to time. In the event of any conflict between the provisions of this Policy and the applicable laws, the later shall prevail.