



**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

(As revised and approved by the Board of Directors on 19.05.2023)

**Preamble**

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

The Company has adopted Conduct, Discipline and Appeal rules, Service Rules and Standing Orders which govern the conduct of Management employees and workmen. The Vigilance deptt. of the Company is also empowered to initiate investigations on its own and act on complaints received from public / employees, with regard to violation of Company's rules and procedures and code of ethics in the conduct of business.

Any actual or potential violation of the Company's rules, regulations and policy governing the conduct of business is a matter of serious concern for the Company. The Company is therefore committed to developing a culture where it is safe for employees to raise concerns about instances if any, where such rules, regulations and policy are not being followed or any fraud has been committed or business has been conducted in an unethical manner.

The Companies Act, 2013 provides requirement for companies to establish a mechanism called "whistle blower policy" for employees to report to the management concerned about unethical behavior, actual or suspected fraud or violation of the company's policy. This mechanism is also required to provide for adequate safeguards against victimization of employees, who avail of the mechanism and for direct access to the Chairman of the Audit Committee. Regulation 9A(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 requires every listed company to have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information. Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments thereto, (hereinafter also referred to as Listing Regulations) requires the company to formulate a vigil mechanism/ whistle blower policy for directors and employees to report genuine concerns.

**Definitions**

**"Alleged wrongful conduct"** shall mean violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

**"Audit Committee"** means a Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Rules framed thereunder read with SEBI Listing Regulations.

**"Board"** means the Board of Directors of the Company.

**"Company"** means the Duroply Industries Limited.



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**“Code”/ “Code of Conduct”** means Code of Conduct for Directors and Senior Management adopted by the Company.

**“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.

**“Employee”** means all the present employees and Directors of Duroply Industries Limited.

**“Good Faith”** An employee shall be deemed to be communicating in “good faith” if there is a 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 a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

**“Investigators”** means that person authorized, appointed, consulted or approached by the Vigilance Officer and includes the auditors of the Company and the police.

**“Protected Disclosure”** means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation/conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

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

**“Vigilance and Ethics 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 and informing the Whistle Blower the result thereof.

**“Whistle Blower”** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

### **Objective**

The objective of Whistle Blower Policy is to build and strengthen a culture of transparency and trust in the organization and to provide employees with a framework / procedure for responsible and secure reporting of improper activities (whistle blowing) within the company and to protect employees wishing to raise a concern about improper activity / serious irregularities within the Company.



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### Policy

The Vigil Mechanism / Whistle Blower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy.

The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

The policy neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

### Scope of the Policy

The Policy generally 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 Company's data/records
- Financial irregularities, including fraud or suspected fraud or Deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
- Any unlawful act whether Criminal/ Civil
- Pilferage of confidential/propriety information
- Deliberate violation of law/regulation
- Wastage/misappropriation of Company's funds/assets
- Breach of Company Policy or improper practice of the Company's policies or procedures, failure to implement or comply with any approved Company Policy
- Willful negligence of assigned duties that could result in damage/loss to the Company
- Any other unethical, biased, favoured, imprudent event.

### **List of Exclusions :**

The following types of complaints will ordinarily not be considered and taken up:

- Complaints that are Illegible, if handwritten
- Complaints that are Trivial or frivolous in nature
- Matters which are pending before a court of Law, State, National Human Rights Commission, Tribunal or any other judiciary or sub judiciary body



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- Any matter that is very old from the date on which the act constituting violation, is alleged to have been committed
- Issue raised, relates to service matters or personal grievance (such as increment, promotion, appraisal etc) also any customer/product related grievance.

### **Eligibility**

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company

### **Disqualifications**

- 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.
- 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* intent.

### **Guiding Principles**

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- Ensure that the Whistleblower and/or the person processing the Protected Disclosure is not victimized for doing so
- Treat victimization as a serious matter, including initiating disciplinary action, if required, on such person/(s)
- Ensure complete confidentiality
- Not attempt to conceal evidence of the Protected Disclosure
- Take disciplinary action, 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
- Disclosure in writing to be sent/ handed over in a sealed cover to the Chairman of the Audit Committee

### **Anonymous Allegations**

A whistleblower may choose to keep his/her identity anonymous. In such cases, the complaint should be accompanied with strong evidence and data.



## Receipt & Disposal of Protected Disclosures

- Protected Disclosure should either be typed or written in legible hand writing in English or Hindi 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.
- The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “**Protected disclosure under the Whistle Blower policy**”. Alternatively, the same can also be sent through email with the subject “**Protected disclosure under the Whistle Blower policy**”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure.
- The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

The contact details of the Vigilance and Ethics Officer, Chairman of the Audit Committee of the Company are as under:-

### ***Name and Address of Vigilance and Ethics Officer***

Ms. Komal Dhruv  
Company Secretary  
Duroply Industries Limited  
Regd. Office: 9 Parsee Church Street, Kolkata – 700 001, West Bengal  
Corp. Office: 113, Park Street, 4<sup>th</sup> Floor, North Block, Kolkata – 700 016, West Bengal  
Email- komal.desai@duroply.com

Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Audit Committee.

### ***Name and Address of Chairman of the Audit Committee***

Shri Sujit Chakravorti  
Chairman of Audit Committee  
Duroply Industries Limited  
Regd. Office: 9 Parsee Church Street Kolkata – 700 001, West Bengal  
Corp. Office: 113, Park Street, 4<sup>th</sup> Floor, North Block, Kolkata – 700 016, West Bengal  
Email- corp@duroply.com



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- If the Whistle Blower believes that there is a conflict of interest between the Vigilance and Ethics Officer and the whistle blower, he may send his protected disclosure directly to the Managing Director - [sudeep@duroply.com](mailto:sudeep@duroply.com) or Executive Director & COO - [akhilesh@duroply.com](mailto:akhilesh@duroply.com), Duroply Industries Limited.

### **Investigation**

- All protected disclosures under this policy will be recorded and thoroughly investigated by the Vigilance and Ethics Officer/ Chairman of the Audit Committee.
- The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- Subject(s) shall have a duty to co-operate with the Vigilance and Ethics Officer and the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower. Subject(s) shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject(s) should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

### **Protection**

- No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. Complete protection will, therefore, be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion,



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or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to receive advice about the procedure, etc.

- A Whistleblower may report any violation of the above clause to the Vigilance and Ethics Officer / Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Vigilance and Ethics Officer / Chairman of the Audit Committee (e.g. during investigations carried out by Investigators).
- Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

### Investigators

- Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Vigilance and Ethics Officer / Chairman of the Audit Committee when acting within the course and scope of their investigation.
- Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- Investigations will be launched only after a preliminary review which establishes that:
  - a. the alleged act constitutes an improper or unethical activity or conduct, and
  - b. either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

### Decision

If an investigation leads the Vigilance and Ethics Officer/Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer/Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as 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.

### Reporting

- The Vigilance and Ethics Officer shall submit a report to the Chairman 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.
- If the report of investigation is not to the satisfaction of the complainant, the complainant has





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- the right to report the event to the appropriate legal or investigating agency.
- A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Chairman of the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

### **Retention of Documents**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

### **Accountabilities – Whistle Blowers**

- Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company
- Avoid anonymity when raising a concern until and unless absolutely necessary.
- Follow the procedures prescribed in this policy for making a Disclosure
- Co-operate with investigating authorities, maintaining full confidentiality
- A whistleblower has the right to protection from retaliation
- Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged malpractice/violation. It may forewarn the Subject in case any important evidence is likely to be destroyed

### **Accountabilities – Vigilance Officer And Investigators**

- Conduct the enquiry in a fair, unbiased manner
- Ensure complete fact-finding
- Maintain strict confidentiality
- Decide on the outcome of the investigation
- Recommend an appropriate course of action - suggested disciplinary action, including dismissal, and preventive measures.
- Minute Investigators' deliberations and document the final report.

### **Review of the Policy**

The Audit Committee shall be responsible for the administration, interpretation and review of this Policy. The Audit Committee also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Board of Directors of the Company.

A quarterly report about the functioning of the Vigil Mechanism shall be placed before the Audit Committee.





**Amendment**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to the Employees and Directors.

**Annexure 1 - Template for Reporting Violation**

**Please select the applicable incident type(s) from the list below that best describes the issue(s) you are reporting. Please note that multiple issues can be selected**

- Misappropriation of company assets or resources
- Conflict of interest
- Inappropriate sharing of confidential information
- Financial fraud of any nature
- Violation of gifts and entertainment policy
- Non-adherence to safety guidelines
- Inaccurate financial reporting
- Bribery & Corruption
- Insider trading including instances of leak or suspected leak of Unpublished Price Sensitive Information (UPSI)
- Other forms of Harassment – Victimization, Bullying, Discrimination etc.
- Social Media Usage
- Misuse of authority
- Environment, health and safety
- Concurrent employment
- Others \_\_\_\_\_

Please provide name, designation and department of the person(s) involved:

	Name	Department	Designation
Individual 1			
Individual 2			

**When did the incident occur?** (Please provide tentative date if you do not know the exact date)

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**How did you find out about this incident?**

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**How long has this been occurring for?**

- Less than a month**
- 1-6 months**
- 6-12 months**
- Greater than 12 months**

**Please provide a detailed description of the incident. To enable your company to act on your complaint, you are requested to provide specific information. Where possible, please include names, location, date, time etc.**

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**Do you have any evidence in support of your allegations?**

- Yes**
- No**

**Is anyone else aware of this incident?**

- Yes**
- No**

**Is there any additional information that would facilitate the investigation of this matter?**

- Yes**
- No**



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**Have you reported this incident to anyone in the company?**

**Yes**

**No**

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