

## **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 behavior.
- 1.2 The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 1.3 Section 177 read with Rule 7 of The Companies (Meetings of Board and its Powers), 2014 and revised Clause 49 of the Listing Agreement, inter-alia, provides, a mandatory requirement, for all listed companies to establish a mechanism called "Whistle Blower Policy" for directors and employees to report concerns about unethical behavior, 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 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. Policy**

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

## **3. Definitions**

- 3.1 "Director" means a Director on the board of the Company whether whole-time or otherwise.
- 3.2 "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.

3.3 "Employee" means every employee of the Company (whether working in India or abroad) including Japanese expatriates stationed in India.

3.4 "Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

3.5 "Subject" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

3.6 "Whistle Blower" is someone who makes a Protected Disclosure under this Policy.

3.7 "Whistle Officer" or "Committee" means an officer or Committee of persons who is nominated/appointed to conduct detailed investigation.

3.8 "Ombudsperson" will be the chairman of the Audit Committee for the purpose of receiving all complaints under this Policy and ensuring appropriate action.

#### **4. Scope:**

This policy applies to any person who is, or has been, any of the following with respect to the Company: Employee;

- Officer;
- Director;
- Contractor (including sub-contractors and employees of contractors); Supplier (including employees of suppliers);
- Consultant; Auditor; Associate; and
- Relative, dependant, spouse, or dependant of a spouse of any of the above.

This policy is intended to apply to the above persons in all countries or territories in which the Company operates a business.

#### **5. The Guiding Principles**

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

5.1.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;

5.1.2 Treat victimization as a serious matter including initiating disciplinary action on such person/(s);

- 5.1.3 Ensure complete confidentiality.
- 5.1.4 Not attempt to conceal evidence of the Protected Disclosure;
- 5.1.5 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- 5.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject;

**6. Coverage of Policy:**

**6.1 Reportable Conduct**

You may make a report or disclosure under this policy if you have reasonable grounds to believe that a Company Director, Officer, Employee, Contractor, Supplier, Consultant or any other person who has business dealings with the Company has engaged in conduct (Reportable Conduct) which is:

- Honest, fraudulent or corrupt;
- Illegal (such as theft, dealing in or use of illicit drugs, violence or threatened violence and criminal damage to property);
- Unethical including any breach of the Company's policies such as the Code of Conduct; Oppressive or grossly negligent;
- Potentially damaging to the Company, its employees or a third party; Misconduct or an improper state of affairs;
- A danger, or represents a danger to the public or financial system; Harassment, discrimination, victimisation or bullying.
- Any disclosures that do not fall within the definition of Reportable Conduct, will not qualify for protection under the Act. It will be at the Company's discretion whether it considers there is a reasonable suspicion that the Reportable Conduct is occurring and/or whether the conduct constitutes "misconduct or improper state of affairs" under the Act.
- Abuse of authority
- Breach of contract
- Negligence causing substantial and specific danger to public health and safety
- Manipulation of Company data/records
- Financial irregularities, including fraud, or suspected fraud
- Criminal offence

- Pilferation of confidential/propriety information
- Deliberate violation of law/regulation
- Wastage/misappropriation of Company funds/assets
- Breach of employee Code of Conduct/Ethics Policy or Rules
- Any other unethical, biased, favored, imprudent event

**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.

For the avoidance of doubt, **Reportable Conduct does not include personal work-related grievances**. A personal work-related grievance is a grievance about any matter in relation to a staff member's current or former employment, having implications (or tending to have implications) for that person personally and that do not have broader implications for the Company. Examples of personal work-related grievances are as follows:

- An interpersonal conflict between the staff member and another employee;
- A decision relating to the engagement, transfer or promotion of the staff member; A decision relating to the terms and conditions of engagement of the staff member;
- A decision to suspend or terminate the engagement of the staff member, or otherwise to discipline the staff member.

Personal work-related grievances should be reported to your manager or in accordance with the Company's Grievance Policy.

## 6. Disqualifications

**6.1** 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.

**6.2** 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.

6.3 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 under Company's Code of Conduct.

## **7. MAKING A DISCLOSURE**

The Company relies on its employees maintaining a culture of honest and ethical behaviour. Accordingly, if you become aware of any Reportable Conduct, it is expected that you will make a disclosure under this policy.

There are several ways in which you may report or disclose any issue or behaviour which you consider to be Reportable Conduct.

### **7.1 Internal Reporting**

You may disclose any Reportable Conduct to the Whistle-blower Protection Officers listed below:

#### Cluster Head Human Resources

- Dnyandev Suryawanshi
- [dnyandev@harmanfinochem.com](mailto:dnyandev@harmanfinochem.com)
- +91 95033 38373

#### Cluster Lead Manufacturing

- Manoj Kumar Kaushik
- [manoj@harmanfinochem.com](mailto:manoj@harmanfinochem.com)
- +91 89562 81772

You can make a disclosure outside of business hours by contacting the above Whistle-blower Protection Officers via email.

You are also encouraged to contact the above Whistle-blower Protection Officers to obtain any additional information you may require before making a disclosure or for any clarification regarding this policy.

If you are unable to use any of the above reporting channels, a disclosure can be made to an "eligible recipient" within the Company. Eligible recipients include:

- Directors
- Senior Managers

The Whistle-blower Protection Officer or eligible recipient will safeguard your interests and will ensure the integrity of the reporting mechanism.

## **7.2 INVESTIGATION**

The Company will investigate all matters reported under this policy as soon as practicable after the matter has been reported. The Whistle-blower Protection Officer will investigate the matter and where necessary, appoint an external investigator to assist in conducting the investigation. All investigations will be conducted in a fair, independent and timely manner and all reasonable efforts will be made to preserve confidentiality during the investigation.

If the report is not anonymous, the Whistle-blower Protection Officer or external investigator will contact you, by your preferred method of communication to discuss the investigation process and any other matters that are relevant to the investigation.

Where you have chosen to remain anonymous, your identity will not be disclosed to the investigator or to any other person and the Company will conduct the investigation based on the information provided to it.

Where possible, the Whistle-blower Protection Officer will provide you with feedback on the progress and expected timeframes of the investigation. The person against whom any allegations have been made will also be informed of the concerns and will be provided with an opportunity to respond (unless there are any restrictions or other reasonable bases for not doing so).

To the extent permitted by law, the Whistle-blower Protection Officer may inform you and/or a person against whom allegations have been made of the findings. The Company will document the findings in a report however any report will remain the property of the Company and will only be shared with you or any person against whom the allegations have been made if the Company deems it appropriate.

The Chronology of the Investigation will be as under:

- A. Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.
- B. If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- C. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Whistleblower officer/Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson 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.
- D. Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee unless required for the purpose of investigation.

E. The Ombudsperson/Whistle Officer/Committee shall:

i) Make a detailed written record of the Protected Disclosure. The record will include:

- a) Facts of the matter
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether any Protected Disclosure was raised previously against the same Subject;
- d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
- e) Findings of Ombudsperson/Whistle Officer/Committee;
- f) The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/other action/(s).

ii) The Whistle Officer/Committee shall finalise and submit the report to the Ombudsperson within 15 days of being nominated/appointed, unless more time is required under exceptional circumstances.

F. On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:

- i) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer /Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid re- occurrence of the matter;
- ii) In case the Protected Disclosure is not proved, extinguish the matter;  
Or
- iii) Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Committee of Directors (Whole-time Directors) with proposed disciplinary action/counter measures. The Committee of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal. 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.

G. In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, s/he can make a direct appeal to the Chairman of the Audit Committee.

### **7.3 Anonymity**

When making a disclosure, you may do so anonymously. It may be difficult for the Company to properly investigate the matters disclosed if a report is submitted anonymously and therefore the Company encourages you to share your identity when making a disclosure, however you are not required to do so.

Where a disclosure has been made externally and you provide your contact details, those contact details will only be provided to a Whistle-blower Protection Officer with your consent.

## **8. Protection**

8.1 No unfair treatment will be meted out to a Whistle Blower 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 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 behavior 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. 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.

8.2 The identity of the Whistle Blower shall be kept confidential.

8.3 You will not be subject to any civil, criminal or administrative legal action (including disciplinary action) for making a disclosure under this policy or participating in any investigation. Any information you provide will not be admissible in any criminal or civil proceedings other than for proceedings in respect of the falsity of the information.

#### **8.4 Protection against Detrimental Conduct**

The Company (or any person engaged by the Company) will not engage in 'Detrimental Conduct' against you if you have made a disclosure under this policy.

Detrimental Conduct includes actual or threatened conduct such as the following (without limitation):

- Termination of employment
- Injury to employment including demotion, disciplinary action
- Alteration of position or duties
- Discrimination
- Harassment, bullying or intimidation; Victimisation
- Harm or injury including psychological harm; Damage to a person's property
- Damage to a person's reputation
- Damage to a person's business or financial position
- Any other damage to a person

The Company also strictly prohibits all forms of Detrimental Conduct against any person who is involved in an investigation of a matter disclosed under the policy in response to their involvement in that investigation.

The Company will take all reasonable steps to protect you from Detrimental Conduct and will take necessary action where such conduct is identified. If appropriate, the Company may allow you to perform your duties from another location or reassign you to another role (at the same level) or make other modifications to your workplace or your duties to protect you from the risk of detriment.

If you are subjected to Detrimental Conduct as a result of making a disclosure under this policy or participating in an investigation, you should inform a Whistle Blower Protection Officer or eligible recipient in accordance with the reporting guidelines outlined above.

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

#### **9. Secrecy / Confidentiality**

9.1 All information received from you will be treated confidentially and sensitively.

You will not be required to provide your name when making a disclosure. To make a disclosure on an anonymous basis, it is recommended that you use a pseudonym and contact the Whistleblowing Protection Officers in the manner outlined above.

If you report on an anonymous basis, you will still qualify for the protections in this policy.

If you make a disclosure under this policy, your identity (or any information which would likely to identify you) will only be shared if:

- You give your consent to share that information; or
- The disclosure is allowed or required by law (for example where the concern is raised with a lawyer for the purposes of obtaining legal advice); or
- The concern is reported to [Insert relevant government body]

Where it is necessary to disclose information for the effective investigation of the matter, and this is likely to lead to your identification, all reasonable steps will be taken to reduce the risk that you will be identified. For example, all personal information or reference to you witnessing an event will be redacted from any report, you will be referred to in a gender-neutral context, where possible you will be contacted to help identify certain aspects of your disclosure that could inadvertently identify you. Any disclosure under this policy will also be handled and investigated by qualified staff.

The Company will also take the following measures for protecting your identity:

- All paper and electronic documents and other materials relating to disclosures will be stored securely;
- Access to all information relating to a disclosure will be limited to those directly involved in managing and investigating the disclosure;
- Only a restricted number of people who are directly involved in handling and investigating a disclosure will be made aware of your identity (subject to your consent) or information that is likely to lead to your identification;
- Communications and documents relating to the investigation of a disclosure will not be sent to an email address or to a printer that can be accessed by other staff; and
- Each person who is involved in handling and investigating a disclosure will be reminded about the confidentiality requirements, including that an unauthorised disclosure of your identity may be a criminal offence.

If you are concerned that your identity has been disclosed in relation to a disclosure, and without your consent, you should inform a Whistle Blower Protections Officer or eligible recipient immediately.

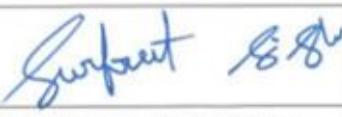
9.2 The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time e. keep the electronic mails/files under password

If any one is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

#### **10. Reporting**

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

Prepared By	Approved By	
		
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