

VIGIL MECHANISM(WHISTLE BLOWER POLICY)

Preface

The Company has adopted the Code of Ethics & Business Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of employees in pointing out such violations of the Code cannot be undermined. Accordingly, this Whistleblower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

Objective of the Policy

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 encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. This policy aims to provide an avenue for employees to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

Scope of the Policy

Various stakeholders of the Company are eligible to make Protected Disclosures under the Policy. These stakeholders may fall into any of the following broad categories:

- Employees of the Company
- Employees of other agencies deployed for the Company’s activities, whether working from any of the Company’s offices or any other location
- Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company
- Customers of the Company
- Any other person having an association with the Company

A person belonging to any of the above mentioned categories can avail of the channel provided by this Policy for raising an issue covered under this Policy.

Coverage of Policy

The Policy covers malpractices and events which have taken place/ suspected to take place

involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. 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
6. Any unlawful act whether Criminal/ Civil
7. Pilferation of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of employee Code of Conduct/Ethics Policy or Rules
11. Any other unethical, biased, favoured, imprudent event

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

Protection to Whistle Blower

A whistle blower will be accorded with protection of confidentiality of identity, to the extent reasonably practicable. In addition, an employee who blows whistle internally will also be protected against any adverse and detrimental actions for disclosing any improper conduct committed or about to be committed within the Company, to the extent reasonably practicable, provided, however, that the disclosure is made in good faith. Such protection is accorded even if the investigation later reveals that the whistle blower is mistaken as to the facts of the concern raised or the rules and procedures involved in whistle blowing.

Anonymous Whistle Blower

Any anonymous disclosure will not be entertained. Any employee who wishes to report a concern is required to disclose his identity to the Company in order for the Company to accord the necessary protection to him/her. However, the Company reserves its right to investigate into any anonymous disclosure or concern raised.

Disqualification

While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, this Policy does not protect employees from disciplinary action arising out of deliberate false or untrue

allegations knowingly made with malafide intentions.

How to Report

A report of suspected violation may be made either with name or anonymously to : cs.audit@gratex.in or by sending a letter with name or an anonymously letter to the Compliance Officer at : Gratex Industries Limited

If you have any complaint against the Chairman of the Audit Committee or the member of the Audit Committee, your report may be made in sealed envelope to Chairman, Gratex Industries Limited

Such complaints may also be made by e mail to cs.audit@gratex.in.

A report should include maximum possible information about the suspected violation. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. The named reporting person may be contacted for further information.

Investigations after Report

All reports under this Policy will be promptly and appropriately investigated by a Committee of Managing Director, Director, Finance & Company Secretary or Chairman of the Audit Committee or the Chairman, as the case may be, with assistance of such other person, as they deem fit 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. An investigation will be a neutral fact finding process with evidence. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, will be the basis for disciplinary action. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy. Result of an investigation will be communicated to the complainant and may be disclosed to employees/public. Summary of all reports and actions taken will be tabled at Audit Committee meetings.

Retaliation is not Tolerated

No one may take any adverse action against any employee for complaining about,

reporting, or participating or assisting in the investigation of, a reasonably suspected violation with basis under this Policy. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible.

Confidentiality

Employees and Directors will maintain confidentiality obligations. Reporting in accordance with this Policy does not tantamount to breach of confidentiality obligations.

Malicious and unfounded allegations

Employees and Directors are not to make malicious or unfounded allegations but may make allegations in good faith where there is reasonable ground of suspicion and basis.

No protection from adverse action

This policy does not protect an employee from an adverse or a disciplinary action taken independent of any disclosure made pursuant to this policy.

Action in terms of other laws

This policy does not prevent a person or the Company from taking an action under any applicable law.

Document Retention

All documents related to reporting, investigation and enforcement pursuant to this Policy may be retained by the Company.

Modification

The Board of Directors of the Company can modify this Policy unilaterally at any time without notice.