

CHEMCRUX ENTERPRISES LIMITED

VIGIL MECHANISM / WHISTLE BLOWER POLICY



Registered Office: 330, TRIVIA Complex, Natubhai Circle, Racecourse

Vadodara- 390 007

Website: www.chemcrux.com

Approved by	Board of directors
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Version	2

CHEMCRUX ENTERPRISES LIMITED – VIGIL MECHANISM / WHISTLE BLOWER POLICY

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(Adopted by the Board of Directors at the Meeting held on 13th February 2024)

LEGAL BACKGROUND AND OBJECTIVES:

“Vigil Mechanism / Whistle Blower Policy” of Chemcrux Enterprises Limited has been framed in terms of the provisions of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with Regulation 22 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter also referred to as Listing Regulations), as may be amended from time to time, which requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for its Directors and Employees, to report and freely communicate their concerns about illegal or unethical practices, actual or suspected fraud or violation of the company's Code of Conduct, Ethics Policy, etc. to build and strengthen a culture of transparency and trust.

The vigil mechanism/ whistle blower policy shall provide for adequate safeguards against victimization of directors and employees who avail such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases.

DEFINITIONS:

(The definitions of the key terms used in this Policy are given below. Terms not defined herein below shall have the meaning assigned to them under the Codes/Policies/ Act.)

1. **“Alleged wrongful conduct”** shall mean violation of applicable laws to the Company, Infringement of Company’s rules, misappropriation of monies, substantial and specific danger to public health and safety nonadherence to the Code or abuse of authority
2. **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013 and SEBI Listing Regulations.
3. **“Board”** means the Board of Directors of the Company.
4. **“Code”** mean Conduct for Directors and Senior Management Personnel adopted by the Company.
5. **“Employee”** means all the present employees and Whole-time director of the Company.
6. **“Insider Trading Code”** means Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and Code of Fair Disclosure of Unpublished Price Sensitive Information adopted by the Company.

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7. **“Protected Disclosure** “means a concern raised by an employee/ director or group of employees/ directors of the Company through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity falling under the title “Scope of the Policy” or Alleged wrongful conduct of the Company. It should be factual and not speculative in nature.
8. **“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.
9. **“Unpublished Price Sensitive Information”** or “UPSI” holds the same meaning as provided in SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments made thereto.
10. **“Vigilance Officer”** means an officer of the company nominated by the Company to receive protected disclosure from Whistle Blower maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
11. **“Whistle Blower”** means an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

POLICY OBJECTIVES:

1. The Company is committed to developing a culture where it is safe for all directors/employees to raise concerns about any unacceptable practice and any event of misconduct and/or who have witnessed or have knowledge of instances of leak of UPSI or have concerns about suspected leakage of UPSI, to come forward and express these concerns without fear of punishment or unfair treatment.
2. To maintain highest standards of ethical, moral and legal conduct of business operations, the Company encourages its directors/employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.
3. The Vigil (Whistle Blower) Mechanism provides a channel to the employees and directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Code or Policy.
4. The mechanism/policy neither releases employees and directors 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 about a personal situation or with a mala fide intent.

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COVERAGE OF THE POLICY:

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

- a. Misuse or abuse of authority;
- b. Breach of terms and conditions of employment and rules thereof;
- c. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment;
- d. Manipulation of company data/records;
- e. Intentional Financial irregularities, including fraud, or suspected fraud;
- f. Criminal offence;
- g. Pilferation of confidential/propriety information;
- h. Deliberate violation of law/regulation including Insider Trading;
- i. Gross wastage/misappropriation of company funds/assets;
- j. Breach of Company's Code of Conduct or Rules;
- k. Instances of leak of unpublished price sensitive information; and
- l. Any other unethical, biased, favored, imprudent event.

This 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 or a grievance about a personal situation.

ELIGIBILITY:

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

PROCEDURE:

1. All Protected Disclosures should be reported in writing by the Whistle Blower as soon as possible, not later than 30 days (unless the delay can be justified) after he becomes aware of the same and should either be typed or written in a legible handwriting in English.
2. The Protected Disclosure should be submitted under a covering letter signed by the Whistle Blower in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower policy" or sent through email with the subject "Protected disclosure under the Whistle Blower policy". If the complaint is not subscribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.
3. All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

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

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

Particulars	Name / Designation	E-mail ID
Vigilance Officer	Company Secretary & Compliance Officer	companysec@chemcrux.com
Chairman of the Company	Mr. Girish Shah	girishshah@chemcrux.com
Chairman of the Audit Committee	Mr. Mukund Bakshi	celbaroda3821@gmail.com

DISCLOSURE:

In order to protect the identity of the complainant the Vigilance Officer will not issue any acknowledgement to the complainants and they are not advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer. On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

Name of the Whistle Blower shall not be disclosed by the Vigilance and Ethics Officer unless otherwise required under any law or regulation or by a competent court of law.

INVESTIGATION:

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of Audit Committee / Vigilance Officer of the Company. Chairman of Audit Committee / Vigilance Officer may at its discretion consider involving any other officer of the Company and/or an outside agency for the purpose of investigation.

If initial/preliminary enquiries by the Chairman of Audit Committee / Vigilance Officer indicate that the concern has no basis, or it is not a matter to be further investigated or pursued under this Policy, it may be dismissed at this stage and the decision will be documented.

Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Chairman of Audit Committee /Vigilance Officer or by such other person as may be authorised or appointed by the Chairman of Audit Committee/ Vigilance Officer. The investigation by itself would not tantamount to an accusation and

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is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.

The Chairman of Audit Committee /Vigilance Officer, if deems fit, may call for further information or particulars from the complainant and at its discretion consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

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. Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

DECISION AND REPORTING:

If an investigation leads the Chairman of Audit Committee /Vigilance Officer to conclude that an improper or unethical act has been committed, the Chairman of Audit Committee/ Vigilance Officer shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit and take preventive measures to avoid reoccurrence of the Alleged wrongful conduct.

The Vigilance 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.

CONFIDENTIALITY:

The Complaints, vigilance process and Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:

- a. Maintain confidentiality of all matters 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 unattended anywhere at any time.
- d. Keep the electronic mails / files under password.

PROTECTION:

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimisation of complainants shall be provided. The Company will take steps to minimize difficulties which the Whistle Blower may experience as a result of making the Protected Disclosure. The identity of the Whistle Blower shall be kept confidential to the extent

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possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

DISQUALIFICATIONS:

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.
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.
3. Whistle Blowers who make any Protected Disclosures which have been subsequently found to be mala fide, frivolous, malicious or reported otherwise than in good faith, may be disqualified from reporting further Protected Disclosures under this Policy and may be subject to disciplinary action in accordance with the rules, procedures and policies of the Company.

COMMUNICATION:

A Whistle Blower policy cannot be effective unless it is properly communicated to employees. The policy should be published on the website 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 period of 7 (seven) years or such other period as specified by any other law enforce, whichever is more.

REVIEW AND AMENDMENTS OF THE POLICY:

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 them in writing. The Policy should be amended only on the approval of Board after considering the recommendations of Audit Committee.

