

VIGIL MECHANISM POLICY

M G PETROCHEM PRIVATE
LIMITED
(CIN: U24110DL2021PTC376698)

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1. PREFACE

M G Petrochem Private Limited (hereinafter referred to as “the Company” in this document) believes in promoting a fair, transparent, ethical and professional work environment. **Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014** provides that the following class or classes of Companies are required to establish a Vigil Mechanism for its directors and employees to report genuine concerns or grievances.:

- (a) Every listed company;
- (b) the Companies which accepts deposits from the public;
- (c) the Companies which have borrowed money from banks and public financial institutions in excess of Rs. 50.00 (Fifty) Crores.

Under these circumstances, the Company having Registered office at 603, Ring Road Mall, Plot No. 21, Sector-3, Rohini, North West Delhi- 110085 and Corporate Office at Plot No. 376, First Floor, Industrial Area, Phase-1, Panchkula, Haryana- 134113, proposes to formulate and establish a ‘Vigil Mechanism Policy’ due to falling under the borrowing criteria, with a view to provide:

- I. a channel to its Directors and Employees of the Company to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or any policy of the company.
- II. for Adequate Safeguards against victimization of directors and employees of the company who avail the vigil mechanism and make provision for direct access to the director nominated to play the role of Audit Committee*, in exceptional cases.

*Being a Private Limited Company incorporated under Companies Act, 2013, the Company is not required to constitute Audit Committee, therefore, the Board of directors shall nominate a director to play the role of the audit committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

2. DEFINITIONS

Definitions of some of the key terms used in this mechanism are given below:

- Company: Company means **M G Petrochem Private Limited and all its working sites and offices.**
- Board of Directors/Board: means the Board of Directors of the company.
- Employee: means all the present employees and directors of the company (whether working in India or Abroad, if any).
- Policy: means the Vigil Mechanism Policy of the company.
- Protected Disclosure: means a concern raised by a whistleblower through written communication and made in good faith that discloses or demonstrates evidence of any fraud or unethical or improper activity within the company under the title “SCOPE” of the policy. 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.

- Whistleblower: means director/s, employee or group of employees who make a protected Disclosure under this mechanism.
- Subject: means a person or group of persons against whom or in relation to whom a Protected Disclosure is made.
- Nominated Director: Director nominated by the Board of directors of the company to play the role of the audit committee for the purpose of addressing the protected disclosures made under this mechanism.
- Vigilance Officer: An officer appointed to receive protected disclosures from the whistleblower, maintaining records thereof, placing the same before the Nominated Director for its disposal and informing the whistleblower the result thereof.

3. APPLICABILITY

The Policy shall be effective from 5th day of January, 2022.

4. SCOPE

All employees of the company can raise concerns about the event/s, which may negatively impact the company or its directors, taking place or about to take place within the company as soon as they become aware of the same:

- Inaccuracy in maintaining the Company's books of accounts and financial and related records
- Misappropriation of funds
- Conflict of interest
- False expense reimbursements
- Misuse of company's assets & resources
- Inappropriate sharing of company's sensitive information
- Corruption & bribery
- Unfair trade practices & anti-competitive behaviour
- Non-adherence to safety guidelines
- Sexual harassment
- Child labour
- Discrimination in any form
- Violation of human rights
- Misuse or abuse of authority
- Fraud, actual or suspected
- Manipulation in business operations
- Violation of Company's rules, policies as well as Regulatory laws

Note: Above list is inclusive in nature and will cover all the matters, activities and/or events on account of which interest of the company or its directors is likely to be affected.

5. GUIDING PRINCIPLES UNDER THE POLICY:

To ensure effective implementation of the policy, the Company shall:

- Ensure protection of the whistleblower against victimization for the protected disclosures made by him/her.
- Ensure complete confidentiality of the whistleblower identity and the information provided by him/her.
- Ensure that the protected disclosure is acted upon within specified timeframes and no evidence is concealed or destroyed.
- Ensure that the investigation is conducted honestly, neutrally and in an unbiased manner.
- Ensure that the whistleblower would not get involved in conducting any investigative activities other than as instructed or requested by the Vigilance Officer or Nominated Director.
- Ensure that the subject or other involved persons in relation with the protected disclosure be given an opportunity of being heard.
- Ensure that the disciplinary actions be taken against anyone who conceals or destroys evidences related to protected disclosures made under this mechanism.
- Ensure that the suitable action including reprimand, be taken against the whistleblower making repeated frivolous protected disclosures including those with an intention to wrongly defame and tarnish the image of the subject as well as to settle his/ her personal grudge.

6. REPORTING MECHANISM

- All Protected Disclosures should be reported in writing by the Whistleblower in the form attached in **Annexure-A** below, as soon as possible, after the Whistleblower becomes aware of the same and should either be typed or written in a legible handwriting in English or any regional language commonly used in the place where the protected disclosure is to be reported.
- The protected disclosures should be submitted in a closed and secured envelope and should be super scribed as "Protected disclosure under the Vigil Mechanism Policy". Alternatively, the same can also be sent through email. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Vigilance Officer or the Nominated Director to protect the Whistleblower and the protected disclosure will be dealt with as if a normal disclosure.
- In order to protect identity of the Whistleblower, the Vigilance Officer or Nominated Director will not issue any acknowledgement to the whistleblower and they are advised neither to write his/their name or address on the envelope nor enter into any further correspondence with the Vigilance Officer or

Nominated Director. The Vigilance Officer or Nominated Director shall assure that in case any further clarification is required he will get in touch with the Whistleblower.

- The Company shall not entertain anonymous/ pseudonymous disclosures.
- The Protected Disclosure should be forwarded under a covering letter signed by the Whistleblower. Vigilance Officer or the Nominated Director, as the case may be, shall detach the covering letter bearing the identity of the Whistleblower and process only the Protected Disclosure.
- All Protected Disclosures should be addressed to Vigilance Officer of the Company, or in exceptional cases to the Nominated Director.

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

Name: Mr. Atul Kumar Garg
Address: House No. 20, Sector-4, Panchkula, Haryana- 134112
E-mail: akg@mgcpl.com
Contact No.: +91 9815742367

The contact details of the 'Nominated Director' are as under:

Name: Mr. Kailash Chand Mittal
Address: House No. 100, Sector-6, Panchkula, Haryana- 134109
E-mail: kcm@mgcpl.com
Contact No.: +91 9216531267

- Protected Disclosure against Vigilance Officer should be addressed to the Nominated Director.

7. PROTECTION OF WHISTLEBLOWER

- A Whistleblower would be given the option to keep his/her identity anonymous while reporting an incident. The company will make no attempt to discover the identity of an anonymous Whistleblower. The Company will ensure that the identity of the Whistleblower will be kept anonymous and confidential to the extent possible, unless required by law or in legal proceedings or in cases where it becomes imperative to disclose his/her identity for effective investigation.
- The Nominated Director and the Vigilance Officer would safeguard the Whistleblower from any adverse action. This includes harassment, discrimination, victimization, retaliation, disciplinary action, threat of any kind, intimidation of termination/ suspension of service, transfer, demotion, refusal of promotion or the like or adoption of any unfair employment practices including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his duties/ functions including making further Protected Disclosure.
- Whistleblower may report any violation of the above clause to the Vigilance Officer or to the Nominated Director, who shall investigate into the same and recommend suitable action to the management.

- Any other Employee or person serving as witness or assisting in the said investigation would also be protected to the same extent as the Whistleblower.
- Protection under this mechanism would not mean protection from disciplinary action arising out of false allegations made by the Whistleblower.
- The Whistleblower may not be granted protection under this mechanism if he/she is subject of a separate complaint or allegations related to any misconduct.

8. DIRECT ACCESS TO NOMINATED DIRECTOR

The Whistleblower shall have direct access to the Nominated Director in 'exceptional or appropriate cases' and the Nominated Director is authorized to prescribe suitable directions in this regard as may be deemed fit.

9. INVESTIGATION

- All protected disclosures under this policy shall be recorded and thoroughly investigated.
- It shall be the duty of the Vigilance Officer to record the details, as mentioned above, keeping in view the confidentiality of the Whistleblower, even when the protected disclosure submitted by him/them prove wrong after the completion of investigation.
- The Vigilance Officer along with his team, if so required to be appointed, shall be responsible to take all the requisite steps to proceed with the speedy disposal of the complaint failing

which, or in exceptional cases where direct access to the Nominated Director is allowed, Nominated Director 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 investigation would be carried out to determine the authenticity of the allegations and for fact-finding process.
- The investigation team should not consist of any member with possible involvement in the said allegation.
- The investigation be carried out in an independent and unbiased manner.
- Entire approach of the investigation shall be documented.

- The investigation shall be completed as soon as possible on the receipt of the protected disclosure and is extendable by such period as the Vigilance Officer with the consent of the Nominated Director may deem fit, in which case the justification for the extension of time shall be recorded by the Vigilance Officer.

10. DUTIES OF THE SUBJECT

- Subject 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 shall have a duty to co-operate with the Vigilance Officer or the Nominated Director or any of the officers appointed in this regard, as and when required, and shall be given reasonable opportunity of being heard.
- Subject shall have a duty not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and the witness/es shall not be influenced, coached, threatened or intimidated by the subject.
- Subject have a right to be informed of the outcome of the investigations and respond to the same, if backed by necessary proofs.
- If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

11. MAINTAINING CONFIDENTIALITY

The Whistleblower, Vigilance Officer, Nominated Director, the Subject and everybody involved in the process shall:

- Maintain confidentiality of all matters under this policy at all times.
- Discuss only to the extent or with those persons as required under this policy for completing the process of investigation.
- Not keep the papers unattended anywhere at any time.
- Keep the electronic mails/ files under password.

12. DISQUALIFICATIONS

- In case of 3 (three) repeated protected disclosures made by the same Whistleblower in respect of the same matter which, when taken together, are subsequently found to be frivolous, baseless, malicious or mala fide, he/ she shall be barred from making any further protected disclosure in respect of the same matter.

- In case Whistleblower is unable to provide adequate information, the Vigilance officer or the Nominated director, as the case may be, reserves the right to not investigate the reported matter.

13. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of the Investigation relating thereto, shall be retained by the Company for a period of 3 (Three) years or such other period as may be specified by any other law for the time being in force, whichever is more.

14. ADMINISTRATION AND AMENDMENT

The Vigilance Officer, in consultation with the Nominated Director, shall be responsible for the administration, interpretation, application and review of this policy. He, in consultation with the Nominated Director, shall also be empowered to revise or bring about necessary changes or amendments to this Policy, if required at any stage, with the concurrence of the Board.

15. CONCLUSION

This Policy is put in place mainly to ensure transparency in the organization and to bring out to light any violations whenever the same is detected at any level in the organization with full confidentiality to the Whistleblower. This neither releases the employees from their own duty of confidentiality in the course of their work nor can it be used as a method of raising baseless allegations against people in authority and/or colleagues in general. Employees are requested to comply and co-operate with the Mechanism and feel free to contact and clarify the concerned officer(s) for further details.

ANNEXURE-A
FORM FOR WHISTLEBLOWER UNDER VIGIL MECHANISM POLICY

Date:

Name & Designation of the Whistleblower (Employee/ Director):

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Employee ID:

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E-mail id:

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Address:

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Contact Number:

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Subject matter which is reported:

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Name of the Person/ Event focused at:

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Brief about the Concern:

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Evidence (enclosed, if any):

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Signature:

Note: The Protected Disclosure shall be reported as soon as possible of the occurrence of the event or before occurrence.