



## **FIEM INDUSTRIES LIMITED**

### **WHISTLE BLOWER POLICY / VIGIL MECHANISM**

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#### **1. Background**

- 1.1 This captioned policy was originally formulated pursuant to Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and erstwhile Clause 49 of the Listing Agreement (effective from 1st October, 2014) which mandated every listed company to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee.
- 1.2 To substitute erstwhile Listing Agreement, SEBI has notified SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 (Listing Regulations), which has become effective from 1<sup>st</sup> December, 2015.
- 1.3 Regulation 22 of the Listing Regulations requires that every listed company shall formulate a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide for adequate safeguards against victimization of any person who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee. These provisions of Listing Regulations are similar to corresponding provisions of erstwhile Clause 49 of the Listing Agreement; hence the existing **Whistle Blower Policy / Vigil Mechanism** already comply with the requirements of Regulation 22 of the Listing Regulations.
- 1.4 The Policy revised again on 12.02.2016 to incorporate the reference of relevant Listing Regulations and remove the reference of erstwhile Listing Agreement
- 1.5 The present revision in the Policy is made on 13.02.2020 to expressly incorporate the provisions that any employee can report any instance of leak of Unpublished Price Sensitive Information (as defined under SEBI (Prohibition of Insider Trading) Regulations by using the mechanism provided under this Policy. [Pursuant to Regulation 9A(6) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, effective from April1, 2019].

#### **2. Policy Objectives**

- 2.1 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. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected

fraud etc. 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 appropriate cases.

- 2.2 This 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.

### **3. Scope of the Policy**

- 3.1 This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, assets and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blower(s).
- 3.2 Any employee can report any instance of leak of Unpublished Price Sensitive Information (as defined under SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended by using the mechanism provided under this Policy.

### **4. Definitions**

- 4.1 **“Alleged wrongful conduct”** shall mean violation of law, infringement of Company’s rules and misappropriation of monies and assets, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority and leak of Unpublished Price Sensitive Information..
- 4.2 **“Audit Committee”** means Audit Committee constituted by the Board of Directors of the Company under Companies Act 2013, erstwhile Listing Agreement and Regulation 18 of the Listing Regulations.
- 4.3 **“Board”** means the Board of Directors of the Company.
- 4.4 **“Company”** means the **“Fiem Industries Limited”**.
- 4.5 **“Designated Officers”** means Company Secretary (**“CS”**) of the Company and in his absence **CFO** of the Company.
- 4.6 **“Employee”** means all the present employees and Whole-time Directors of the Company (Whether working in India or abroad).
- 4.7 **“Protected Disclosure”** means a concern reported by an employee, Director or group of employees of the Company, through a written communication and made in absolute 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, objective 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.

4.8 “**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.

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

## **5. Eligibility**

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

## **6. Receipt and Disposal of Protected Disclosures**

6.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.

6.2 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, the protected disclosure will be dealt with as if a normal correspondence. The Designated Officers will not issue any acknowledgement to the complainants though they are advised neither to write their name / address on the envelope and nor enter into any further correspondence with the Designated Officer. The Designated Officer shall assure that in case any further clarification is required he will get in touch with the complainant.

6.3 Anonymous / Pseudonymous disclosure shall not be entertained by the Designated Officer.

6.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Designated Officers / Chairman of the Audit Committee/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

6.5 All Protected Disclosures should be addressed to the Designated Officer of the Company or to the Chairman of the Audit Committee/ Chairman in appropriate cases. The contact details of the Designated Officer are as under:-

**Designated Officer**  
**Whistle Blower Policy**  
**Fiem Industries Ltd.**  
**1915, Rai Industrial Estate,**  
**Distt. Sonipat, 131029, Haryana (INDIA)**  
**E-mail: investor@fiemindustries.com**

6.6 Protected Disclosure against the Designated Officers should be addressed to the Chairman of the Company or to the Chairman of the Audit Committee. The contact details of the Chairman and the Chairman of the Audit Committee are as under:

**Chairman /  
Chairman, Audit Committee  
Fiem Industries Ltd.  
1915, Rai Industrial Estate,  
Distt. Sonipat, 131029, Haryana (INDIA)  
E-mail: [info@fiemindustries.com](mailto:info@fiemindustries.com)**

6.7 On receipt of the protected disclosure the Designated Officers / Chairman / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

- a. Brief facts;
- b. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c. Whether the same Protected Disclosure was raised previously on the same subject;
- d. Details of actions taken by Designated Officers / Chairman for processing the complaint;
- e. Findings of the Audit Committee;
- f. The recommendations of the Audit Committee/ other action(s).

6.8 The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

6.9 The complaint for leak of Unpublished Price Sensitive Information (as defined under SEBI (Prohibition of Insider Trading) Regulations, 2015, will be dealt according to Policy & Procedures for inquiry in case of Leak or Suspected Leak of Unpublished Price Sensitive Information.

## **7. Investigation**

7.1 All protected disclosures under this policy will be recorded and thoroughly investigated. 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.

7.2 The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

7.3 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.

7.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

7.5 Subject(s) have a right to consult with a person or persons of their choice, other than the Designated Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.

- 7.6 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).
- 7.7 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.
- 7.8 Subject(s) have a right to be informed of the outcome of the investigations. 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.
- 7.9 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.

## **8. Decision and Reporting**

- 8.1 If an investigation leads the Designated Officer/ Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Designated 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.
- 8.2 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.3 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Designated Officer or the Audit Committee, shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **9. Secrecy / Confidentiality**

- 9.1 The complainant, Designated Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
- 9.1.1 Maintain confidentiality of all matters under this Policy.
- 9.1.2 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- 9.1.3 Not keep the papers unattended anywhere at any time.
- 9.1.4 Keep the electronic mails / files under password.

## **10. Protection**

- 10.1 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 Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion 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.

- 10.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to applicable laws of land.
- 10.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in absolute good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

## **11. Access to Chairman of the Audit Committee**

- 11.1 The Whistle Blower shall have right to access Chairman of the Audit Committee directly in appropriate cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

## **12. Communication**

- 12.1 A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

## **13. Retention of Documents**

- 13.1 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 1 (One) year from the concluding the matter.

#### **14. Administration And Review Of The Policy**

- 14.1 The Company Secretary shall be responsible for the administration, interpretation and application of this policy. He will be authorised to involve HR department for necessary assistance and support.

#### **15. Amendment**

- 15.1 The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

#### **16. Reporting Form**

See **Annexure-A** attached



Annexure- A

**Alleged Wrongful Conduct Reporting Form**

(Under Vigil Mechanism / Whistle Blower Policy)

To,

Designated Officer  
 Whistle Blower Policy  
 Fiem Industries Limited  
 Plot No. 1915, Rai Industrial Estate,  
 Phase-V, Distt. Sonapat – 131029,  
 Haryana (INDIA)

<b>Name of Reporting Person</b>	
Division/department	
Telephone	
Describe unacceptable conduct/activity (use additional sheets to answer)	
Approximate date when unacceptable conduct/activity began (if known):	<div style="display: flex; align-items: center;"> <div style="border: 1px solid black; width: 20px; height: 20px; margin-right: 5px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px; margin-right: 5px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px; margin-right: 5px;"></div> <div style="margin-left: 5px;">DD/ MM/ YYYY</div> </div>
Unacceptable conduct/activity is (please tick any one)	On going <input type="checkbox"/> Completed <input type="checkbox"/> Unclear if ongoing or not <input type="checkbox"/>
Division/Department suspected of unacceptable conduct/ activity:	
Individual(s) suspected of unacceptable conduct/activity	
How did the reporting person become aware of the unacceptable conduct/activity? (use additional sheets to answer)	
Describe steps, if any, taken by the reporting person prior to completing this form (e.g. informed superior) (use additional sheets to answer)	