



## **POLICY FOR VIGIL MECHANISM**



 <b>Payal ■ Group</b> Driven by a Committed Vision	<b>PAYAL GROUP HR POLICY</b>	<b>Employee Handbook</b>
<b>Corporate HR</b>	<b>Policy for Vigil Mechanism</b>	<b>Version : PG/HR/22- 23/WB</b>

## **PREAMBLE**

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards and any actual or potential violation of these standards, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. To safeguard the Company against internal /external threats like frauds, bribery, corruption, abuse of authority, non-compliance with laid down systems and procedures, Transgression of Delegated Authority etc. involving financial and reputational implication, constant vigilance at all levels is necessary through a process called 'Vigilance Mechanism' where each and every employee / director has certain role-play and is duty bound to execute the same. The stakeholders are expected not to be silent spectators to any wrong doing in the Group but to report the same to the higher authority/ authorities in the form of Vigilance Committee. Staff members/directors, many a time, are hesitant to come forward and report to higher authorities about wrongdoings, mishaps around them fearing disclosure of identity and probable retribution/ victimization from the official/s concerned. To maintain these standards, Payal Group encourages its employees who have concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment.

## **POLICY**

In compliance of the above requirements, Payal Polyplast Private Limited, has established a Vigil Mechanism (Whistle Blower) and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism which will lead to ensure more effective Corporate Governance

## **POLICY OBJECTIVES**

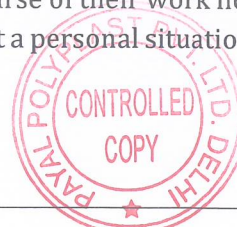
The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud. The policy provides a platform to allow and encourage our stakeholders to bring to the management's notice concerns about suspect's unethical behavior, malpractices, wrongful conduct, fraud, violation of the Company's Policies including Code of Ethics and Conducts, violation of law or questionable accounting or auditing matters by any Employee in the Company (hereinafter referred to as Wrongful Conduct) without fear of reprisal.

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 about a personal situation.

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## **DEFINITIONS**

**“Protected Disclosure”** means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

**“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.

**“Vigilance Officer/Vigilance Committee or Committee”** is a person or Committee of persons, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Board of Directors (‘the Board’) for its disposal and informing the Whistle Blower the result thereof.

**“Whistle Blower”** is a stakeholder (directly or indirectly associated with the Group) who makes a Protected Disclosure under this Policy and also referred in this policy as complainant. **Protected Disclosure** means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

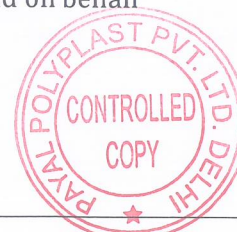
**Employee** means every onroll employee of Payal Group.

**Director** means an appointed or elected member of the Board of Directors of Payal Group.


## **SCOPE**

This Policy covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of Business Integrity and Ethics.
2. Acceptance of kickbacks
3. Bribery & Corruption
4. Intentional Financial irregularities, including fraud, or suspected fraud.
5. Deliberate violation of laws/regulations.
6. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of company data/records.
8. Pilferation of confidential/propriety information.
9. Gross Wastage/misappropriation of Company funds/assets.
10. Any instance of failure to comply with legal or statutory obligation either for and on behalf of Payal Group or in any personal capacity in the course of discharging duties.
11. Abuse of power (e.g. sullyng/ harassment/ Threat).
12. Child Labour
13. Inappropriate use of Social Media
14. Concurrent Employment





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15. Any other activity which is prohibited in company premises
16. Any undue favor or restrain based on caste, religion and gender.

**Note:** The above list is illustrative and should not be considered as exhaustive.

### **ELIGIBILITY**

All Directors and Employees of the Company inclusive of Advisors, In-House Consultants/ Retainers, Fixed Term employees/contractual / Temporary workmen/Third Parties: The third parties including Vendors, Service providers & their employees and Customers with concerns regarding any serious malpractice or impropriety are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company. Any other stake holder directly or indirectly associated with the group (hereinafter referred to as Whistle Blower).

### **PROCEDURE**

Whistle Blower can report protected disclosure by lodging his/her complaint at [whistleblower@payalgroup.com](mailto:whistleblower@payalgroup.com) and on **+91 9315224294** not later than 30 days after the Whistle Blower becomes aware of the same. The Protected Disclosure (Annexure-1) should be submitted to the Chairman of the Vigilance Committee or any other member of the committee by the complainant 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 super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure. The employee must exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to discipline up to and including termination.

### **VIGILANCE COMMITTEE**

In alleged wrongful conduct stipulated herein above, involving Employees, Immediate Managers or Senior Management, the stakeholder can directly approach the Chairman of the Vigilance Committee or any of its member. The Committee would comprise of:-

- Mr. Piyush Jain (Committee Chairman) – CFO
- Ms. Mousumi Ganguly – VP HR
- Mr. Surendra Singh Negi - Director
- Mr. Dharmesh Kashyap – Technical & Projects Head



### **ROLE OF THE COMMITTEE**


The committee shall investigate into complaints received either over email or in writing as per the prescribed annexure.

Roles of the committee would include the following:-

- To ensure that the matter is discussed with all the committee members.
- To ensure that the received disclosure/concerns are preliminary enquired in a fair manner & decisions are reported appropriately to all the concerned, within the stipulated time limits as part of the procedure.

*[Handwritten signatures]*



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- To ensure that the Annexure-1 (Template for reporting violations) is readily available in each location of Payal Group.
- To ensure that the Whistle Blower Policy is administered appropriately.
- To oversee & provide perspective to investigations.
- To appoint investigating officer (s)/agencies (internal/external) if required.
- To maintain strict confidentiality.
- Being available as a 'Listening Post' for any member of the Group, who may wish to speak with him/her for any matter on governance, culture, behavior etc.
- To ensure effective socialization of Whistle Blower Policy in all Units of Payal Group.
- Corporate HR team to ensure contact details of Committee members are available to all the employees.
- The complaints would be looked into and investigated, and the findings would be communicated to the CMD for his recommendations.
- The committee shall inform the status of the case to the complainant and in case committee does not respond after reasonable period of time, the complainant can approach **Mr. Nikhil Chandra Gupta, CMD**, to get the matter expedited.
- Any complaints against the Committee can be escalated to **Mr. Nikhil Chandra Gupta, CMD**.

In order to protect the identity of the complainant, the Vigilance Committee 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 Committee members.

Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Committee.

On receipt of the protected disclosure the Vigilance Committee members shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

### **INVESTIGATION**

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Committee will carry out an investigation either themselves or by involving any other Officer of the Company/an outside agency before referring the matter to the Board/CMD of the Company.

The Board of Directors/CMD of the Company, 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 Vigilance Committee members and/ or an outside agency for the purpose of investigation.

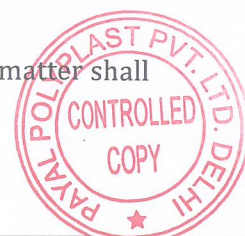
The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Board/CMD deems fit.


Any member of the Board 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.

*Monsami*

*[Signature]*





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### **DECISION AND REPORTING**

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Board of Directors/CMD of the Company to take such disciplinary or corrective action as it may deem fit.

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. A report along with number of complaints received under the Policy and their outcome shall be placed before the upcoming meeting of the Board, but not later than 4 months from the date of above said report.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance Committee or the Board of Directors/CMD shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

### **CONFIDENTIALITY**

The complainant, Vigilance Committee members , Members of the Board, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody. If anyone is found not complying with the above, he/she shall be held liable for such disciplinary action as is considered fit.

### **PROTECTION**

Whistle Blower (WB) protections are provided in two important areas—confidentiality and against retaliation. Insofar as possible, the confidentiality of the Whistle Blower will be maintained. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law and to provide accused individuals their legal right of defense. The company will not retaliate against a WB. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation, decreased or poor work assignments and threats of physical harm. WB who believes he/ she is being retaliated against must contact Head of Human Resources immediately. The right of a WB for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

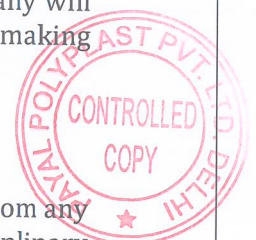
No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy.

Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the WB.

Adequate safeguards against victimization 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.

### **DISQUALIFICATIONS**

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.



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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.

### **FALSE ALLEGATIONS OF WRONGFUL CONDUCT**

A Director or an Employee who knowingly makes false allegations of alleged wrongful conduct to the Vigilance Committee shall be subject to disciplinary action, in accordance with Company rules, Policies, and Procedures.

### **SUGGESTIVE PUNITIVE ACTIONS CAN BE:**

The following actions could be taken against the accused, where he/she is found guilty:

- Counselling & warning letter
- Withholding of promotion/increments
- Termination
- Legal Suit

The above punishments are only suggestive and it may decide on the actions to be taken on a case to case basis depending on the gravity of the offence

### **EXCLUSIONS**

The policy will not cover issues relating to employment related grievances including PMS, Promotions & transfers etc. which will be separately dealt under Employee Grievance Handling.

The following types of complaints would ordinarily not to be entertained:

- Illegible, if handwritten
- Vague, anonymous or pseudonymous – However, where an anonymous disclosure contains references to verifiable facts & figures, such cases will be taken up for investigation.
- Trivial or frivolous in nature.
- The matters which are pending before a Court of Law, State or National Human Rights Commission or any other Commission, Tribunal or any other judiciary or sub-judiciary body.
- Any matter, after the expiry of one year from the date on which the act constituting violation of human rights is alleged to have been committed.
- Allegation which is not against the interests of Payal Group employees as stated above.
- Issue raised relates to civil dispute, such property rights, contractual obligations etc.

### **ACCESS TO THE BOARD/CMD**

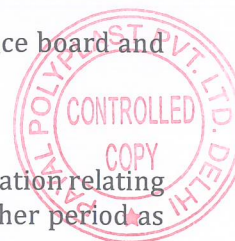
The Whistle Blower shall have right to access to the Board/CMD directly in appropriate or exceptional cases and the Board/CMD is authorized to prescribe suitable directions in this regard.

### **COMMUNICATION**

Directors and Employees shall be informed of the Policy by publishing on the notice board and 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 5 (five) years or such other period as specified by any other law in force, whichever is more.



*Handwritten signatures and initials in blue ink.*

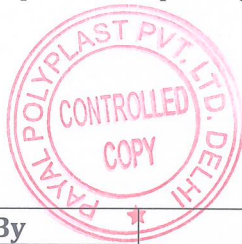


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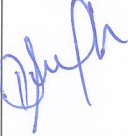
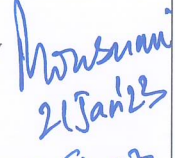
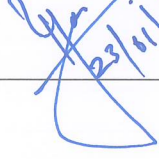

### **AMENDMENT**

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 Directors and employees unless the same is not communicated in the manner described as above

: Annexure – A (Template for reporting violations)



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Prepared By	Reviewed By	Approved By
Sunny Singh 	Mousumi Ganguly  21 Jan 23 Piyush Jain  23/01/23	Nikhil Chandra Gupta CMD 



**Protected disclosure under the “Whistle Blower Policy”**

**Name of Complainant :** \_\_\_\_\_

**Department :** \_\_\_\_\_

**Contact Details (Mobile No. & Email Id) :** \_\_\_\_\_

**Location:** \_\_\_\_\_



*[Handwritten signature]*



**Protected disclosure under the “Whistle Blower Policy”****Template for reporting violation**

**A. Please select the applicable incident type(s) from the list below that best describes the issue(s) you are reporting. Please note that multiple issues can be selected:**

1. Misappropriation of company assets or resources
2. Conflict of interest
3. Inappropriate sharing of confidential information
4. Financial fraud of any nature
5. Violation of gifts and entertainment policy
6. Non-adherence to safety guidelines
7. Inaccurate financial reporting
8. Bribery & Corruption
9. Other forms of Harassment – Victimization, Bullying, Discrimination etc.
10. Social Media Usage
11. Misuse of authority
12. Environment, health and safety
13. Concurrent employment
14. Others \_\_\_\_\_

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**B. Please provide name, designation and department of the person(s) involved?**

S. No.	Name	Department	Designation

**C. When did the incident occur? (Please provide tentative date if you do not know the exact date)**

\_\_\_\_\_

**D. Please confirm the location of the incident**

\_\_\_\_\_

**E. How did you find out about this incident?**





**F. How long has this been occurring for?**

- i) Less than a month
- ii) 1-6 months
- iii) 6-12 months
- iv) Or more than 12 months

**G. Please provide a detailed description of the incident. To enable your company to act on your complaint, you are requested to provide specific information where possible including names, location, date, time etc. Please note that this field is limited to 5,000 characters.**

[illegible]

**H. Do you have any evidence in support of your allegations?**

- i) Yes  
ii) No

**I. Is anyone else aware of this incident?**

- i) Yes  
ii) No



*[Signature]*





Annexure 1

**J. Is there any additional information that would facilitate the investigation of this matter?**

i) Yes

ii) No

**K. Have you reported this incident to anyone in the company?**

i) Yes

ii) No

**Date:**

\_\_\_\_\_

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किसल ब्लोअर पॉलिसी के तहत संरक्षित प्रकटीकरण उल्लंघन रिपोर्ट

रिपोर्ट करने वाले व्यक्ति का नाम \_\_\_\_\_

रिपोर्ट करने वाले व्यक्ति का विभाग \_\_\_\_\_

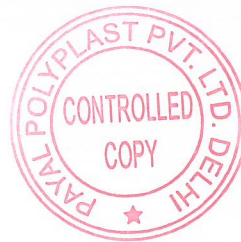
रिपोर्ट करने वाले व्यक्ति का स्थान \_\_\_\_\_

संपर्क विवरण (मोबाइल नंबर और ईमेल) \_\_\_\_\_













### किसल ब्लोअर पॉलिसी के तहत संरक्षित प्रकटीकरण उल्लंघन रिपोर्ट

I. कृपया नीचे दी गई सूची से लागू घटना प्रकार का चयन करें जो आपके द्वारा रिपोर्ट की जा रही समस्या(समस्याओं) का सबसे अच्छा वर्णन करता है। कृपया ध्यान दें कि कई मुद्दों का चयन किया जा सकता है:

- |   |                          |
|---|--------------------------|
| 1. कंपनी की संपत्ति या संसाधनों का दुरुपयोग             | <input type="checkbox"/> |
| 2. हितों का टकराव                                       | <input type="checkbox"/> |
| 3. गोपनीय जानकारी का अनुचित साझाकरण                     | <input type="checkbox"/> |
| 4. किसी भी प्रकार की वित्तीय धोखाधड़ी                   | <input type="checkbox"/> |
| 5. उपहार और मनोरंजन नीति का उल्लंघन                     | <input type="checkbox"/> |
| 6. सुरक्षा दिशानिर्देशों का पालन न करना                 | <input type="checkbox"/> |
| 7. गलत वित्तीय रिपोर्टिंग                               | <input type="checkbox"/> |
| 8. रिश्त और भ्रष्टाचार                                  | <input type="checkbox"/> |
| 9. उत्पीड़न के अन्य रूप - उत्पीड़न, धमकाना, भेदभाव आदि। | <input type="checkbox"/> |
| 10. सोशल मीडिया का उपयोग                                | <input type="checkbox"/> |
| 11. अधिकार का दुरुपयोग                                  | <input type="checkbox"/> |
| 12. पर्यावरण, स्वास्थ्य और सुरक्षा                      | <input type="checkbox"/> |
| 13. समवर्ती रोजगार                                      | <input type="checkbox"/> |
| 14. अन्य  | <input type="checkbox"/> |



II. कृपया शामिल व्यक्ति (व्यक्तियों) का नाम, पद और विभाग प्रदान करें।

क्रमिक संख्या	नाम	विभाग	पद

III. घटना कब हुई? (यदि आपको निश्चित तिथि की जानकारी नहीं है तो कृपया संभावित तिथि प्रदान करें)



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IV. कृपया घटना स्थल की पुष्टि करें।

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V. आपको इस घटना के बारे में कैसे पता चला?

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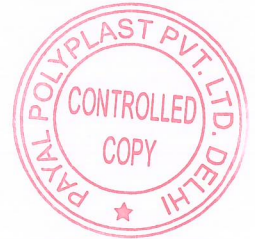
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VI. यह कितने समय से हो रहा है?

- एक महीने से भी कम
- 1-6 महीने
- 6-12 महीने
- या 12 महीने से अधिक



VII. कृपया घटना का विस्तृत विवरण दें। आपकी कंपनी को आपकी शिकायत पर कार्रवाई करने में सक्षम बनाने के लिए, आपसे अनुरोध है कि जहां संभव हो, नाम, स्थान, दिनांक, समय आदि सहित विशिष्ट जानकारी प्रदान करें। कृपया ध्यान दें कि यह फ़ील्ड 5,000 शब्द तक सीमित है।

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VIII. क्या आपके पास अपने आरोपों के समर्थन में कोई सबूत है?

- i) हां
- ii) नहीं

IX. क्या किसी और को इस घटना की जानकारी है?

- i) हां
- ii) नहीं

X. क्या कोई अतिरिक्त जानकारी है जो इस मामले की जांच को आसान बनाएगी?

- i) हां
- ii) नहीं

XI. क्या आपने कंपनी में किसी को इस घटना की सूचना दी है?

- i) हां
- ii) नहीं

दिनांक: \_\_\_\_\_

