

# VIGIL MECHANISM AND WHISTLE-BLOWER POLICY

---

Shentracon Chemicals Limited  
CIN: L24299WB1993PLC059449  
Registered & Administrative Office  
6A, Kiran Sankar Roy Road, 3<sup>rd</sup> Floor  
Kolkata – 700 001  
Ph: (033) 2248 9731; Fax (033) 2248 4000  
Email: [investor@shentracon.com](mailto:investor@shentracon.com)  
Website: [www.shentracon.com](http://www.shentracon.com)

# CONTENTS

---

1. INTRODUCTION
2. SCOPE AND EXCLUSIONS
3. TERMS AND DEFINATION
4. POLICY

# 1. INTRODUCTION

---

- 1.1 SHENTRACON CHEMICALS LIMITED (SCL) is committed to conducting business with integrity, including in accordance with all applicable law and regulations, SCL expectations with respect to business ethics are contained in the Code of Business Conduct and Ethics ) The “Code of Conduct”)
- 1.2 Employee are required to report actual or suspected violations of applicable law and regulation and the Code of Conduct, and SCL has an obligation to ensure that there is a procedure in place to enable the reporting of such violations.

## 2. Scope of Exclusion

---

- 2.1 This Vigil Mechanism and Whistle-blower Policy (the “Policy”) sets out the procedure to be followed when making a disclosure.
- 2.2 Though normally “Whistle Blowing Policy” allowed employees alone to report malpractices, we went beyond and included our business associates as well. Further in line with vigil mechanism as per Companies Act, 2013 and SEBI regulations, representative bodies of employees, directors and security holders have also been included. The success of this initiative prompts us to formalize a few more related aspects of the disclosures and the protection against victimization, enabling us to move a step forward towards successful Corporate Governance.

## 3. TERMS AND DEFINATION

---

- 3.1 “Audit Committee” means the committee constituted by the Board of Director of Shentracon Chemicals Limited in accordance with the Section 177 of Companies Act. 2013, which has responsibility for supervising the development and implementation of this Policy.
- 3.2 “**Code of Conduct**” means the Code of Business Conduct and Ethics.
- 3.3 “**Employee**” means any employee or director of Shentracon Chemicals Limited.
- 3.4 “**Reportable Matters**” means a genuine concern concerning actual or suspected:
- i) Fraudulent practices, such as improperly tampering with Shentracon Chemicals Limited books and records, or theft of Company property,
  - ii) Corruption, including bribery and money laundering;
  - iii) Breaches of the Code of Conduct.

Please note that complains concerning personal grievances, such as professional development issues or Employees compensation, are not Reportable Matters for purpose of the Policy.

- 3.5 “**Whistle-blower**” means any Employee who make a Protected Disclosure under this policy.

## 4. POLICY

---

### 4.1 RESPONSIBILITY TO REPORT

Protected Disclosures are to be made whenever an employee becomes aware of a Reportable Matter. The Protected Disclosure should be made promptly upon the

Employee becoming aware of the Reportable Matter. Reportable Matters should be made pursuant to the reporting mechanism described in Section 4.2 below.

The role of a Whistle-blower is limited to making a Protected Disclosure. A Whistle-blower should not engage in investigations concerning a Reportable Matter that is the subject of a Protected Disclosure. Neither should a Whistle-blower become involved in determining the appropriate corrective action that might follow from the submission of a Protected Disclosure

## **4.2 REPORTING MECHANISM**

- 4.2.1 Any stakeholder who becomes aware of a suspected wrongful conduct is encouraged to send his/her observations/concrete facts to the Chairman of Audit Committee either through phone or written communication complete with related evidence (to the extent possible) without fear of reprisal or retaliation of any kind. The present Chairman of the audit Committee and the Compliance officer is Mr. Pijush Mandal, having his office at 6A, Kiran Sankar Roy Road, 3<sup>rd</sup> Floor, Kolkata 700001, Phone No's: 033-22489731; e-mail: investor@ Shentracon.com
- 4.2.2 The information on suspected wrongful conduct is such information which the stakeholder in good faith, believe, evidences:
- 4.2.2.1 violation of any law or regulation, including but not limited to corruption, bribery, theft, fraud, coercion and wilful omission.
  - 4.2.2.2 Pass back of Commissions/benefits or conflict of interest
  - 4.2.2.3 Procurement frauds.
  - 4.2.2.4 Mismanagement, Gross wastage or misappropriation of company funds/assets
  - 4.2.2.5 Manipulation of Company data/records

- 4.2.2.6 Stealing cash/company assets; leaking confidential or proprietary information
  - 4.2.2.7 Unofficial use of Company's material/human assets
  - 4.2.2.8 Activities violating Company policies including Code of Ethics and Conduct
  - 4.2.2.9 A substantial and specific danger to public health and safety
  - 4.2.2.10 An abuse of authority
  - 4.2.2.11 An act of discrimination or sexual harassment The above list is only illustrative and should not be considered as exhaustive.
- 4.2.3 In alleged wrongful conduct involving Senior Management, the stakeholder can directly approach to Mr. J. P. Sureka (Director), at 033-22489731; e-mail: investor@Shentracon.com

### **4.3 DISCLOSURE INVESTIGATION**

The Chairman of Audit Committee, upon receipt of disclosure, shall investigate the complaints to ascertain its genuineness and veracity. Basis the outcome of such investigation, within 30 days of the receipt of disclosure, the Direct Touch team shall recommend a corrective action to the Management, including but not limited to:

- 4.3.1.1 Closing the complaint if wrongful conduct remains largely unsubstantiated or
- 4.3.1.2 Initiating action against concerned person if complaint found correct on investigation or
- 4.3.1.3 Recommending installation of a proactive system to overcome system weakness/ making it more stringent.

If the Audit Committee Chairman have a conflict of interest in a given case, they would rescue themselves and the Audit Committee, as the case may be, would deal with the matter.

In case of repeated frivolous complaints being filed by a stakeholder the Audit Committee may take suitable action against the concerned stakeholder including reprimand in case of director or employee.

Management, on the basis of the recommendation of the Direct touch Team, shall take appropriate action immediately.

#### **4.4 CONFIDENTIALITY**

Disclosure of wrongful conduct may be submitted on a confidential basis or may be submitted anonymously. Such disclosures will be kept confidential to the extent possible, convenient with the need to conduct an adequate investigation.

#### **4.5 PROTECTION AGAINST VICTIMIZATION**

No adverse action shall be taken against a stakeholder in “knowing retaliation”, who makes any good faith disclosure of suspect wrongful conduct to the Direct Touch team.

No director supervisor or any other employee with authority to make or materially influence significant personnel decisions shall take or recommend an adverse personnel action against a stakeholder in “knowing retaliation” disclosing wrongful conduct in good faith. Any director, supervisor or employee found to have so violated this Policy shall be subject to disciplinary action, in accordance with existing rules, policies, and procedures of the Company.

#### **4.6 DIRECT TOUCH COMPLAINT**

No later than 30 days after a current or former stakeholder is notified or becomes aware of an adverse personnel action against him/ her, he or she may protest the action by filing a written complaint with the Chairman of Audit Committee if the employee believes the action was based on his or her prior disclosure in good faith, of an alleged wrongful conduct.

The Chairman of Audit Committee on receipt of such complaint, shall review the complaint expeditiously to determine the genuineness and veracity and within 30 days shall notify the Management and the complainant of the results of the review and whether the adverse personnel action is affirmed, reversed, or modified. In case the Direct Touch Team finds the complaint, not pursuant to this policy, the director/employee shall be referred to other available grievance processes to pursue the complaint.

#### **4.7 LEGITIMATE EMPLOYMENT ACTION**

This policy may not be used as a defense by a director or an employee against whom an adverse personnel action has been taken for legitimate reasons or under company rules and policies. It shall not be a violation of this policy to take adverse personnel action against a director/employee whose conduct or performance warrants that action, separate and apart from that director/employee making a disclosure.

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

A director or an employee who knowingly makes false allegations of alleged wrongful conduct to the Direct Touch Team shall be subject to disciplinary action, in accordance with company rules, policies, and procedures.

#### **4.9 STATUS REPORT TO AUDIT COMMITTEE**

The Audit Committee Chairman office shall maintain a log of all disclosures received and shall report the summary of such disclosures and action recommended/taken to the Audit Committee on quarterly basis.

#### **4.10 REVIEW AND AMENDMENTS**

The Audit Committee of the Board of Directors of the Company shall periodically review the existence and functioning of the Whistle Blower Policy. The Audit Committee is also empowered to amend this policy at any time consistent with requirements of applicable laws, rules and regulations.

-----