



# **Piramal Enterprises Limited**

## **Vigil Mechanism Whistle Blower Policy**

**Original Effective Date: 1<sup>st</sup> October, 2014**

**[Last Updated: 9<sup>th</sup> November, 2023]**

## Whistle Blower Policy / Vigilance Mechanism

### A. Introduction

1. Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') and Section 177 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 provides that all Listed Companies are required to establish a Vigil Mechanism for Directors and employees to report genuine concerns.
2. Regulation 9A(6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("**Insider Trading Regulations**") requires the Company to formulate a whistle blower policy to enable employees to report instances of leak of Unpublished Price Sensitive Information.
3. In compliance with these regulatory requirements, the Company has established a vigilance (whistle blower) mechanism and has formulated this Whistle Blower Policy ("Policy") in order to provide a framework for responsible and secure whistle blowing / vigilance mechanism.
4. This policy will help the Company to maintain and encourage high moral standards, financial integrity, transparency and good governance in its business dealings. This policy is guided by the Company's philosophy of Knowledge, Action and Care and will be implemented across Piramal Enterprises Limited as a whole including its subsidiaries.

### B. Definitions

1. "Audit Committee" means the Audit Committee of the Company constituted by its Board of Directors.
2. "Company" means Piramal Enterprises Limited.
3. "Director" means a member of the Board of Directors of the Company or its Subsidiaries.
4. "Employee" means every employee of the Company or of its Subsidiaries (whether working in India or abroad).
5. "Good faith" – An Employee or Director shall be deemed to be communicating in "good faith" if there is a reasonable basis for Protected Disclosure. Good faith shall be deemed lacking when the Employee or Director does not have personal knowledge on a factual basis for the Protected Disclosure or when the Employee or Director knew or reasonably should have known that the Protected Disclosure is malicious, false or frivolous.
6. "Independent Firm" means a firm of Chartered Accountant / Forensic Auditors / External Agency dealing with Fraud or Forensic investigations appointed by the Company for undertaking investigation of Protected Disclosure made under this policy.
7. "Malicious Complaints" means complaints which are mala fide, frivolous, baseless, false or malicious or where the same is reported otherwise than in Good Faith.
8. "Protected Disclosure" means a communication made under this Policy in good faith that:
  - a) discloses information which evidences; or

- b) expresses genuine and verifiable concerns or grievances relating to; any unethical behaviour, actual or suspected fraud, violation of the Company's Code of Conduct, or any malpractice, illegal or improper activity or conduct, in or relating to the Company.
9. "Subject" means a person against or in respect of whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
10. "Unpublished Price Sensitive Information" or "UPSI" – shall have the meaning as defined in the SEBI Regulations, as per which, it means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available is likely to materially affect the price of the securities and shall ordinarily include but not be restricted to information relating to :
- (i) financial results;
  - (ii) dividends;
  - (iii) changes in capital structure;
  - (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
  - (v) changes in key managerial personnel.
11. "Whistle Blower" means a person making a Protected Disclosure under this Policy.
12. "Whistle Blower Committee" means a Committee constituted by the Company for dealing with Protected Disclosures under this Policy. The Whistle Blower Committee shall comprise of the following members:
- Group General Counsel of PEL
  - Chief Risk Officer of PEL
  - Head of Internal Audit of PEL
  - Chief Human Resources Officer of PEL

### **C. Objectives**

1. The policy aims to provide a channel to all Employees and Directors to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics and / or any instances of leak of unpublished price sensitive information.
2. As stated earlier, the Company is committed to maintain and encourage high moral standards, financial integrity, transparency and good governance in all its business dealings. In order to maintain these standards the Company encourages its Employees and Directors who have genuine concerns about suspected misconduct to be fearless and come forward and express these concerns without fear of punishment for such disclosure or unfair treatment.
3. The Company recognizes that some breaches can be extremely sensitive and may deter employees from open communication. This Policy also acts as a supplementary channel to normal management hierarchy for all employees irrespective of their position to raise concerns.
4. The mechanism provides for safeguards against victimization of whistle blowers who avail of this mechanism and also provides for direct access to the Whistle Blower Committee or Investigating Officer / Internal Audit / Independent Firm appointed by the Whistle Blower Committee of the Company.

However, this does not release the employees from their duty of confidentiality in their course of work nor can it be used as a route for any Malicious Complaints.

#### **D. Coverage of Policy**

The policy covers all malpractices and all unethical, illegal or improper activities which have taken place / suspected to have taken place, including but not limited to the following:

1. Abuse of authority
2. Negligence causing substantial and specific danger to public health and safety
3. Financial irregularities including fraud or suspected fraud
4. Criminal offence
5. Pilferation of confidential / proprietary information
6. Misappropriation of company funds / property
7. Breach of Code of Conduct & Ethics Policy
8. Harassment of any kind, including Sexual Harassment\*
9. Any instances of leak of Unpublished Price Sensitive Information\*\*
10. Any other unethical or immoral or illegal events

\*For complaints relating to sexual harassment, employees may use either this Policy or the Sexual Harassment Policy of the Company or both.

\*\*For complaints relating to leak of Unpublished Price Sensitive Information ('USPI'), employees may use either this Policy or the Policy and Procedure of Inquiry in case of leak of UPSI or both.

#### **E. Role of Whistle Blowers**

1. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.
2. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Investigating Officer / Internal Audit / Independent Firm
3. Protected Disclosure will be appropriately dealt with by the Investigating Officer / Internal Audit / Independent Firm appointed by the Whistle Blower Committee of the Company.

#### **F. Eligibility**

1. All Employees and Directors are eligible to make Protected Disclosures under this Policy. The Protected Disclosures shall be in relation to matters concerning the Company or its Employees or Directors.
2. Without prejudice to this general rule, the Whistle Blower Committee or the Audit Committee of the Board shall be entitled, but not obliged, to consider any communication as a Protected Disclosure even if such communication is received from a person other than an Employee or a Director PROVIDED THAT where such communication is so considered, such person shall be treated as a Whistle Blower under this Policy and shall abide by the terms of this Policy.

## **G. 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 by making Malicious Complaints will warrant strict disciplinary action.
2. In case of Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be Malicious Complaints, any subsequent Protected Disclosure made by them will not be considered under this Policy, unless the Audit Committee in its discretion, decides otherwise. Further, such Whistle Blowers shall be subject to disciplinary action under this Policy for each Malicious Complaint.

## **H. Procedure**

1. All Protected Disclosures should be addressed to the Whistle Blower Committee or any member of the Whistle Blower Committee for investigation. The Protected Disclosures may also be submitted by email to <[Whistle.Blower@Piramal.com](mailto:Whistle.Blower@Piramal.com)>, which is a dedicated email id accessible only by the members of the Whistle Blower Committee (**‘Designated Email ID’**).

Without prejudice to this general rule, the Directors and Senior Management (for the purpose of this clause, Senior Management means those designated President and above) of the Company may address their Protected Disclosure to the Chairman of the Audit Committee, instead of the Whistle Blower Committee. The email ID of the Chairman of the Audit Committee designated for this purpose is [whistle.pelaudcom@piramal.com](mailto:whistle.pelaudcom@piramal.com).

2. Complaints related to leak of UPSI shall be addressed to the Compliance Officer under the Company’s Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in Securities of the Company and/or Chief Investor Relations Officer under the Code for Fair Disclosure of Information and Determination of Materiality.
3. Protected Disclosures shall be reported in writing so as to ensure a clear understanding of the issues raised, apart from being the evidence of the complaint and should either be typed or written in a legible handwriting in English or Hindi.
4. The Protected Disclosure should be submitted under a covering letter signed by the Whistle Blower in a closed and secured envelope and should be superscribed as “Protected Disclosure under the Whistle Blower Policy” or sent through email to the Designated Email ID, with the subject “Protected Disclosure under the whistle blower policy”.
5. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure. Adequate evidence supporting the Protected Disclosure would facilitate quicker processing.
6. The Whistle Blower must disclose his/her full identity in the covering letter forwarding such Protected Disclosure. A copy of the communication need not be marked to anyone in the Company.
7. Anonymous disclosures shall also be considered. For this purpose, the anonymous complaints should include adequate details which are both specific and verifiable in order to facilitate the investigative process.

## **I. Investigation**

1. All Protected Disclosures reported under this Policy will be recorded and thoroughly investigated by the Investigating Officer / Internal Audit / Independent Firm appointed by the Whistle Blower Committee of the Company:

Provided that the cases of leak of Unpublished Price Sensitive Information shall be examined as per the policy for procedure of inquiry in case of leak of unpublished price sensitive information adopted by the Company under Regulation 9A of the Insider Trading Regulations.

2. The Investigating Officer / Internal Audit / Independent Firm appointed by the Whistle Blower Committee of the Company, if it deems fit, may call for further information or particulars from the whistle blower.
3. The decision to conduct an investigation is not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
4. The identity of the Subject and the Whistle Blower shall be kept confidential to the extent possible given the legitimate needs of law and the investigation.
5. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
6. Subjects shall have a duty to co-operate with the Investigating Officer / Internal Audit / Independent Firm appointed by the Whistle Blower Committee of the Company during investigation.
7. Subjects shall not interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the subjects.
8. Unless there are compelling reasons not to do so, Subjects will be given an opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
9. Subjects shall be informed of the outcome of the investigation.
10. The investigations shall ordinarily be completed within 90 days of the receipt of the Protected Disclosure.

## **J. Procedure for Maintenance of records:**

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 8 years or such other period as specified by the applicable law in force, whichever is more.

## **K. Protection of Whistle Blowers**

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. Complete protection will be given to the Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, demotion, transfer, 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 all reasonable steps to minimize difficulties which the Whistle Blower may experience.

2. The Company shall keep confidential the identity of the Whistle Blower, so as to encourage the Whistle Blower to provide inputs without any hesitation for the present as well as future.
3. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

#### **L. Investigators**

1. All investigators shall be unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.
2. Investigations will be launched only after a preliminary review by the Whistle Blower Committee which establishes that:
  - a) The alleged act constitutes a malpractice or an illegal, improper or unethical activity or conduct, and;
  - b) The allegation is supported by information specific enough to be investigated;
  - c) In cases where the allegation is not supported by enough information, the Whistle Blower Committee shall exercise discretion to conduct the investigation. In this regard, the Whistle Blower Committee shall have free and unfettered access to the Chairman of the Audit Committee who shall provide such guidance and assistance as the Whistle Blower Committee may require to facilitate a fair and independent investigation;

#### **M. Reporting**

The Whistle Blower Committee, after completing its investigation, shall submit a confidential report to the Chairman of the Audit Committee. All such reports of the Whistle Blower Committee shall be placed before the Audit Committee, for its review and recommendations.

#### **N. Decision**

1. If the investigation leads to the conclusion that a malpractice or an illegal, improper or unethical act has been committed, and based on the review and recommendations of the Audit Committee, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as it deems fit. The management shall periodically report to the Audit Committee the status of implementation of its recommendations until the implementation is completed.
2. If the Whistle Blower makes a protected disclosure bona fide and in good faith, which is not confirmed by the investigation, no action shall be taken against the Whistle Blower.
3. Any Whistle Blower who makes a Malicious Complaint of the Subjects shall be subject to

such disciplinary action as the Audit Committee may approve.

**O. General**

1. This Policy shall be subject to applicable law and regulatory prescriptions.
2. The Company reserves its right to amend or modify this Policy in whole or in part, at any time to comply with applicable regulatory requirements or otherwise.

**P. Queries / Questions**

Any queries / questions regarding this policy may be addressed to the Whistle Blower Committee.

*This Policy supersedes any other whistle blower policy in existence prior to this.*

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