

PIDILITE INDUSTRIES LIMITED WHISTLE BLOWER POLICY

1. Preface:

Pidilite Industries Limited is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company, in order to maintain these standards has adopted *the Code of Conduct*, which lays down the principles and standards that should govern the actions of the Employees in the course of conduct of business of the Company. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The Company has also established a mechanism called 'Sampark' which is a one-stop solution provider for all the employees to express themselves, their views and thoughts openly.

The role of the stakeholders in pointing out such violations of the Code cannot be undermined. It is therefore imperative for the Company to have a Whistleblower Policy (the Policy).

2. Objective

The objective of the Policy is for and the Employees, who have concerns about suspected misconduct, fraudulent or unethical practices including leak or misuse of unpublished price sensitive information (UPSI) or suspected leak of UPSI, to come forward and express their concerns without fear of punishment or unfair treatment.

3. Key Definitions:

The definitions of some of the key terms used in this Policy are given below.

Terms not defined in the policy shall have the meaning as per the Companies Act, 2013.

- a. **"Employee"** means every employee of the PIL Group and shall include the Directors of all entities in PIL Group.
- b. **"Investigators"** means those persons who are authorised, appointed, consulted or approached by the Whistle Officer or Whistle Blower Committee or Audit Committee or the Chairman thereof. Investigator includes, the auditors of the Company, the police or any other investigating officer appointed as such. It is clarified that this does not take away any authority of the Whistle Officer or the Whistle Blower Committee to conduct any investigation into any matter referred to him/ her/ it.
- c. **"PIL Group"** means Pidilite Industries Limited, its subsidiaries and its joint venture companies (whether in India or abroad).
- d. **"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity, that could have an adverse impact on the operations, performance or reputation of the Company.
- e. **"Subject"** means an Employee against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

- f. **“Unpublished Price Sensitive Information “or “UPSI”** shall mean 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 restricted to, information relating to the following:
- a) financial results of the Company;
 - b) dividends (Interim and Final);
 - c) change in capital structure;
 - d) mergers, De-mergers, Acquisitions, De-listing of Securities, disposals and expansion of business and such other transactions;
 - f) changes in key managerial personnel;
- g. **“Whistle Blower “**means a person who makes a Protected Disclosure under this Policy.
- h. **“Whistle Officer” or “Whistle Blower Committee” or “Committee”** means an officer or Committee which shall be a sub - committee of the Audit Committee consisting of persons who are nominated/ appointed to conduct detailed investigation of the disclosure received from the Whistle Blower and recommend disciplinary action. Currently, Shri Apurva Parekh, Director is nominated as the Whistle Officer. The Committee shall comprise of the Whistle Officer, Company Secretary, Chief Financial Officer, Senior Vice President of Human Resources (HR), and the Internal Audit Head.

4. Scope:

This Policy covers Employees of PIL Group.

A person belonging to PIL Group can avail the channel provided in this Policy for making a Protected Disclosure.

5. Protected Disclosure can be made for the following type of concerns, but is not limited to:

- i. Abuse of authority
- ii. Breach of Contract
- i. Unethical behaviour
- ii. Actual or suspected fraud
- iii. Violation of the Company’s Code of Conduct
- iv. Financial irregularities including fraud
- v. Deliberate violation of law/regulations
- vi. Actual or suspected leak of UPSI

This Policy should not be used as a route for raising malicious or unfounded allegations against colleagues or for settling any personal grievance.

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 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 Whistle Officer or Whistle Blower Committee or the Audit Committee or the Chairman thereof or the Investigators.

6. Protection and Disqualifications:

The Whistle Blowers will be accorded complete protection from any adverse action/unfair treatment consequent to making a Protected Disclosure under this Policy. However, making a Protected Disclosure containing a false or bogus allegation or made with a *mala fide* intention, shall make the concerned Whistle Blower liable for disciplinary action.

7. Confidentiality:

The Whistle Blower, the Committee, Investigation Officers and all persons involved shall maintain confidentiality of the subject matter. The identity of the Whistle Blower shall be kept confidential and others assisting in the said investigation or furnishing evidence shall also be kept in private. If any of the persons are found not complying with the above he/she shall be liable for disciplinary action.

8. Procedure:

Making Protected Disclosure

- a) The Protected Disclosure can be lodged by sending a letter to the below mentioned address:

Whistle Officer, Whistle Blower Committee,
Pidilite Industries Limited,
Ramkrishna Mandir Road, Off Mathuradas VasANJI Road, Andheri (E),
Mumbai 400059.

(OR)

- b) Through the toll free number of Pidilite's Ethics hotline (Ethicsline):1800-102-6969 (OR)

- c) In the form of an email to whistleblower@pidilite.co.in

(OR)

- d) In the form of an email to Report@integritymatters.in

The Protected Disclosure must include the precise details of the concern including names of Subject(s) involved in the same.

9. Enquiry and Investigation:

Preliminary enquiry is a fact-finding exercise. The object of preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the Protected Disclosure, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on any disciplinary action.

The Committee shall appoint and/or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected misconduct. If the Committee is of the opinion that the disclosure received has no basis then it shall be dismissed. If the matter needs to be investigated further the Committee shall order an investigation and appoint persons necessary for conducting the same.

After evaluating the merits of the case, the Committee shall recommend appropriate action to the Management on completion of the investigation. The Management shall deliberate on

the report so submitted and take appropriate disciplinary action which will depend on the circumstances and seriousness of the matter. The disciplinary action(s) may include, wage freeze, suspension, recovery, termination of employment contract/agreement etc., as may be decided by the Management.

Upon receipt of Protected Disclosure relating to such leakage/suspected leakage of UPSI, the same would be investigated in accordance with the procedure as detailed in the Policy for procedure of leak of UPSI and as per Insider Trading Regulations, steps shall be taken to inform SEBI promptly.

10. Rights of Subject:

Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunity for providing their inputs during the investigation.

11. Duties/ Responsibilities of Subject:

Subjects have a responsibility not to 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.

12. Direct access to the Chairman of the Audit Committee

A Protected Disclosure against any director, key managerial person, the Whistle Officer or any member of Whistle Blower Committee can be made directly to the Audit Committee Chairman [at ac-chairman@pidilite.com](mailto:ac-chairman@pidilite.com). Also, in exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation, he/ she can make a direct appeal to the Chairman of the Audit Committee.

Such matters will be directly accessed by the Chairman of the Audit Committee, who will then direct a person of his choice to investigate and report the outcome to him within a stipulated time frame. The report of such investigation shall be tabled at the next meeting of the Audit Committee and appropriate action/ redressal shall be recommended to the Executive Management, in consultation with the Audit Committee.

13. Reporting:

A quarterly report with the number of complaints received under the Policy and their outcome shall be placed before the Audit Committee.

14. 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 minimum period of seven years.

15. Amendment

The Company for good corporate governance may establish further rules and procedures, from time to time, to give effect to the intent of this Policy. The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. Any amendment to Policy shall take effect from the date when it is approved by the Board of Directors of the Company.

16. Dissemination:

This Policy shall be appropriately communicated within the Company including by way of putting the Policy on the intranet of the Company. A copy of the same shall also be disclosed on the Company's website and required details shall be mentioned in the Report of the Board of Directors of the Company.

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(Modified by the Board of Directors on 13th November, 2019)