

MRF LIMITED

VIGIL MECHANISM (WHISTLE BLOWER POLICY)

(with effect from 01-10-2014)

(Amended on 01-04-2019)

(Approved at the Board Meeting held on 23.07.2014 and revised
at the Board Meeting held on 07.02.2019)

TABLE OF CONTENTS

SI.NO	Details	Page
1.	Objective	3
2.	Definitions	3
3.	Applicability	4
4.	Procedure for making a protected Disclosure	4
5.	Inquiry	4
6.	Protection to Whistle Blower	5
7.	Management Action on False Disclosure	6
8.	Reporting	6
9.	Preservation of documents	6
10.	Authority & Amendment	6

1. Objective

This Vigil Mechanism is being established pursuant to the requirements of Section 177(9) of the Companies Act, 2013 and Regulation of 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for stakeholders, including directors and employees and their representative bodies to report genuine concerns (including those about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy). Through this vigil mechanism, the Company provides necessary safeguards to all Whistle Blowers for making disclosures in good faith. 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.

2. Definitions

The definitions of some of the key terms used in this vigil mechanism are given below:

- a. **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation of 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. **"Employee"** means any employee of the Company.
- c. **"Director"** means any member of the Board of the Company.
- d. **"Inquiry Officer"** mean any person(s), who may be a director or officer of the Company or any person nominated by the Chairman of the Audit Committee to conduct an Inquiry under this vigil mechanism.
- e. **"Whistle Blower"** means stakeholders making a Protected Disclosure under this vigil mechanism.
- f. **"Protected Disclosure"** or **"Disclosure"** means an intimation in relation to a reportable event made in good faith by the Whistle Blower to the designated personnel under this policy and which is factual and not speculative in nature and it includes information on leakage of Unpublished Price Sensitive Information.
- g. **"Reportable event"** means all genuine concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct in the course of the Company's work, whether within or outside the premises belong to the Company including leakage of Unpublished Price Sensitive Information.
- h. **"Senior Management"** as defined under Regulation 16(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- i. **"Subject"** means a person against or in relation to whom a Protected Disclosure is made under this vigil mechanism.

3. Applicability

This policy is applicable to stakeholders as per Regulations 4(2),22(1) and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also relevant provisions of the Companies Act,2013.

4. Procedure for making a Protected Disclosure

- a. A Protected Disclosure ('Disclosure') under this vigil mechanism is required to be in writing. The Disclosure can be sent by email also.
- b. The Disclosure is required to be addressed to the Company Secretary. Where a disclosure is being made in relation to a senior management, such a Disclosure may be made to the Chairman and Managing Director (CMD)/Vice Chairman and Managing Director (VCMD)/ Managing Director (MD) of the Company. In such case, the CMD/VCMD/MD shall forward the complaint to the Company Secretary for suitable action. Disclosures concerning a Director or the Company Secretary can be sent to the Chairman of the Audit Committee.
- c. The Disclosure should disclose the following:
 - i. Name, address and contact details of the Whistle blower (add Employee ID if the Whistle blower is an employee).
 - ii. Full and complete information about the Reportable Event, giving the names of those involved in the event, specific details including time and place of occurrence etc.
 - iii. The Disclosure made should not be merely speculative in nature but should be based on actual facts.
- d. **Disclosures expressed anonymously will ordinarily NOT be investigated.**

5. Inquiry

- a. All Protected Disclosures reported under this vigil mechanism will be thoroughly inquired into by the Company Secretary / any other person nominated by the Chairman of the Audit Committee (hereinafter referred to as 'Inquiry Officer').
- b. 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 Inquiry Officer.
- c. The Inquiry Officer may at his discretion, consider taking the assistance of any other person / specialist for the purpose of Inquiry.
- d. The commencement of an Inquiry by the Inquiry Officer is by itself not an accusation and is to be treated as a neutral fact-finding process.
- e. The identity of a subject and the Whistle Blower will be kept confidential to the extent possible subject to the legitimate needs of law and the Inquiry.

- f. Subjects will normally be informed of the allegations at the outset of a formal Inquiry and have the opportunity for providing their response during the Inquiry. However if considered appropriate, the Subject can be informed and be given the opportunity to respond, after the Inquiry Officer does a preliminary Inquiry into the matter. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- g. Subjects shall have a duty to co-operate with the Inquiry Officer during Inquiry.
- h. Subjects have a responsibility not to interfere with the Inquiry. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- i. During the course of the Inquiry process, all Subjects shall have a right to seek suitable advice at his own cost.
- j. Upon conclusion of the Inquiry, the Subject shall be informed about the outcome including any action proposed to be taken.
- k. The Inquiry shall be conducted in a fair manner and provide an adequate opportunity for hearing to the Subject and a written report of the findings should be prepared for submission to the Audit Committee.
- l. The Inquiry shall be completed normally within a reasonable time of the receipt of the Disclosure.

6. Protection to Whistle Blower

- a. The identity of the Whistle Blower, subject and any other Employee assisting the Inquiry, shall be kept confidential at all times subject to the legitimate needs of the investigation and the law.
- b. The Company will strive to protect any Whistle Blower from any kind of victimisation by virtue of his/her having made a Disclosure under this vigil mechanism. The protection is available provided that:
 - i. The Disclosure is made in good faith;
 - ii. The Whistle Blower reasonably believes that information and any allegations contained in it, are substantially true; and
 - iii. The Whistle Blower is not acting for personal gain.
- c. The Whistle Blower may also report any violation of the above clause to the Audit Committee Chairman.
- d. Employees who report violations under SEBI (PIT) Regulations 2015, shall not be discharged, terminated, demoted, suspended, threatened, harassed or discriminated against directly or indirectly as a consequence of reporting under this policy for breaching the provisions of any terms and conditions of employment such as a confidentiality agreement.

7. Management Action on False Disclosures

- a. If a Whistle Blower knowingly makes false disclosures under this vigil mechanism, such Whistle Blower shall be subject to such action as deemed appropriate.
- b. Whistle Blowers, who repeatedly make Protected Disclosures which are after Inquiry found are to be mala fide or frivolous, will be disqualified from reporting further Protected Disclosures under this Vigil Mechanism and the Audit Committee may take any further action against the concerned person as it considers appropriate including reprimand.

8. Reporting

A report of Protected Disclosures received under this vigil mechanism shall be submitted to the Audit Committee periodically. The report should cover details of all Protected Disclosures until the matter is brought to a closure. If any member of the Audit Committee has a conflict of interest in a given case, such member should recuse himself from the proceedings.

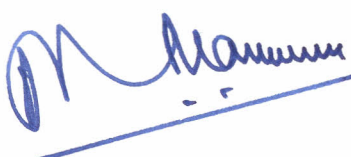


9. Preservation of Documents

All Protected Disclosures made by the Whistle Blower or documents obtained or prepared during the course of Inquiry, along with the outcome, shall be retained by the Company for a period of 8 years.

10. Authority & Amendment

This Vigil mechanism has been approved by the Audit Committee and may be amended from time to time as determined necessary.

Approved by : -

 CMD	 VCMD	 MD
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