

VIGIL MECHANISM POLICY
ZUARI SUGAR & POWER LIMITED

Introduction:

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and Its Powers) Rules, 2014 requires every listed company, companies which accept deposits from the public and companies which have borrowed money from banks and public financial institutions in excess of fifty crore rupees to establish a vigil mechanism for Directors and Employees to report their genuine concerns about unethical behaviour / misconduct / actual or suspected frauds / violation of code of conduct.

Policy objectives

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Code of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

Scope:

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

Definition:

- The Company means “**Zuari Sugar & Power Limited.**”
- Employees mean all permanent employees of the Company.
- Directors means define as per Section 2(36) of the Companies Act, 2013.
- Audit Committee shall mean a Committee of Board of Directors of the Company, constituted in accordance with provisions of Section 177 of Companies Act, 2013.
- Policy or This Policy means, “**Vigil Mechanism Policy**”.

Interpretation:

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 read along with the rules as amended from time to time.

Eligibility:

All Employees and Directors of the Company are eligible to make disclosures under the mechanism in relation to matters concerning the Company

Disclosure & Maintenance of Confidentiality:

Employees or directors shall report the Complaints / Grievances in writing or through e-mail addressed to info@zspl.in. Confidentiality shall be maintained to the greatest extent possible.

Procedure:-

1. Where any director or employee finds or observes any of following activities (but not limited to) then he must within a period of 30 days of occurrence of event or on the date on which he comes to know, report in writing their complaint / grievance in the format as provided in **Annexure 1** to this mechanism:
 - Misappropriation of funds.
 - Any prejudicial act in which stakeholders interest or public interest is involved.
 - Serious frauds which are affecting or may affect the financial position of the Company.
 - Internal theft etc.
2. The Complainant shall address the Complaints / Grievances to the Vigilance Officer (as may be designated by the Audit Committee) of the Company or the Chairman of the Audit Committee (in exceptional cases). The duly filled complaint form provided herein shall be submitted to any of the above mentioned person(s).
3. In order to protect the identity of the complainant, the Vigilance Officer or the Committee will maintain confidentiality of the complainants.
4. The Committee on the receipt of disclosure of any of above frauds or events shall make a record of the disclosure and also ascertain from the complainant whether he was the person who made the disclosure or not. The Committee shall also carry out initial investigation either itself or at its discretion by involving any other official of the Company or an outside agency as it may deem fit.
5. The decision to undertake the investigation by the Committee shall not by itself be regarded as the acceptance of the accusation by the Committee. It is a neutral fact finding process to ascertain the truth of the accusation.
6. Any member of the Audit Committee or such other officer involved in the investigation, having any conflict of interest with the matter shall disclose his/her concern/interest forthwith and shall not deal with the matter.
7. The Committee as it deems fit, may call for further information from the complainant.
8. The Committee shall carry out detailed investigation if the reported disclosure is found to be correct.

9. The Employee/Director against whom disclosure has been reported shall:-
- Co-operate with Committee or any person appointed in this regard.
 - Have a right to consult any person of his choice other than members of Committee and / or Complainant.
 - Not interfere in investigations conducted by Committee.
 - Not withhold, tamper or destroy any of evidences.
 - Unless otherwise restricted, be given an opportunity to respond to material findings.
 - Not threaten, influence or intimidate complainant or any of witnesses.
 - Have a right to know the outcomes of investigation.
10. The Investigations shall be completed within a period of 60 days from the date of receipt of the Complaints / Grievances by the Committee.

Decisions and Reporting:

If the outcome of the investigation leads to a conclusion that, any improper or unethical act has been committed, then the Committee must record the same and recommend the Complaint along with the findings of the Committee upon investigation to the management for the disciplinary or corrective action to be taken against the concerned employee/director. The decision of the Committee shall be recorded with reasons and a copy of the same shall be forwarded to the complainant and the subject.

If the decision is not to the satisfaction of the complainant then the complainant has the right to report the event to the appropriate legal or investigating authority. However, if the complainant makes false or wrong allegations then disciplinary actions in accordance with the rules, procedures and policies of the Company shall be taken against the complainant as the Committee may decide.

Penalties:

If the alleged fraud or misconduct is proven after investigation, the Committee may impose such penalty / fine as it may deem fit depending upon nature of fraud or unethical act done by the person.

Protection:

No unfair treatment will be given out to a complainant 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 against complainants.

Complete protection will therefore be given to complainant against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the complainant's right to continue to perform his duties /functions including making further disclosure.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Direct Access to Chairman:

The complainant shall have direct access to Chairman of Committee in exceptional cases. The Chairman shall prescribe suitable direction in this regard.

Amendments:

The Company reserves right to amend, modify, and cancel any of the provisions of the mechanism in whole or in part set up herein above or may restrict subject to such conditions as it may deem fit.

Sd/-

Mr. R.S. Raghavan

(Chairman-Audit Committee)

DIN: 00362555

Annexure 1

Date: _____

Name of Complainant (Employee/ Director):_____

Email-id:_____

Address:_____

Contact No._____

Subject matter which is being reported

Name of Person/Event focused at:

Brief about concern_____

Evidence (if Any)

Signature