

ZUARI AGRO CHEMICALS LIMITED

**WHISTLE BLOWER POLICY**

## Contents

### **Section 1 : Preface**

About the policy

Objective

Applicability

Definitions

### **Section 2 : Policy Content**

Who can raise concern

On what matters can concerns be raised on under this Policy

How to raise concern

Investigation process

Protection / Immunity

Exceptions and Disqualification

### **Section 3 : Policy Implementation**

Roles & Responsibilities

Confidentiality

## **Section 1 : Preface**

### 1.1 About the Policy

This policy has been divided into four key sections.

Section 1 : Includes details on the Objective and Applicability of this policy which envisages the need and company's culture towards preventing and detecting fraud and the Glossary for providing an understanding of this Policy.

Section 2 : Provides details, such as who can raise a concern and regarding what, investigation, immunity and disqualifications, which cover all administrative procedures for enforcing this policy.

Section 3 : Consists of the details such as implementation framework, and roles and responsibilities covering all governance procedures and confidentiality provisions relevant for implementing this policy.

The Whistle Blower Policy will also be in compliance of Section 177 of the Companies Act, 2013 and Rules framed thereunder, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### 1.2 Objective

The Company aims to propagate a culture for maintaining highest standard of conduct and professionalism. To achieve this, the company has formulated this policy that will provide guidelines and assignment of responsibility for the development and maintenance of controls, conduct of investigations, awareness trainings for the employees. The Company would perceive any actual or potential fraud, however insignificant or perceived as such, very seriously.

This policy seeks to :

- Provide an independent, high level forum by means of the Audit Committee and Ombudsperson for employees and Business Associates to raise concerns and complaints about fraudulent practices as enlisted in 2.2 hereinbelow.
- Establish a fair and equitable inquiry process and redressal mechanism
- Provide through the Ombudsperson and the Audit Committee, a forum to review and investigate such concerns and give appropriate feedback on action taken.

- Reassure employees and Business Associates raising the concerns, that each one utilizing the process will be fully protected against possible reprisals, intimidation, coercive action, dismissal, demotion or victimization when a serious and genuine concern of fraud has been reported in good faith.

### 1.3 Applicability

This policy is applicable to all employees as well as its business associates interacting with ZACL. All Infringing Actions (see 2.2) shall be investigated in accordance with the provisions provided in this policy and other related policies.

### 1.4 Glossary

“Audit Committee”	:	means the Audit Committee constituted by the Board of Directors of the Company under Companies Act, 2013 (including the Rules framed there under) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
“Business Associates”	:	include all customers, agents, dealers, suppliers and other vendors that conduct business with ZACL.
“Director”	:	means a member of the Board of Directors of the Company;
“Disciplinary Action ”	:	means any action that can be taken on the completion of or during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any other action as is deemed to be fit, considering the gravity of the matter;
“Employee”	:	means every employee be it full time or part time employees of the Company.
“Infringing Actions”	:	shall have the meaning assigned to it in Clause 2.2 hereof.
“Investigator”	:	means one or more persons authorized or appointed by Ombudsperson or Chairman of Audit Committee, to assist in the investigation of the Protected Disclosure and submit

his/her/ their findings to the Chairman of Audit Committee, as the case may be;

- “Investigation Team” : comprises of any person or persons authorized, appointed, consulted or approached by the Audit Committee to assist in the investigation process under the policy and shall include the Ombudsperson and a member of the Audit committee.
- “Ombudsperson” : is a person who shall act as a trusted intermediary between the management and others for the purposes of reporting and investigation of fraudulent or suspected fraudulent activities.
- “Protected Disclosures” : means any communication made in good faith that discloses or demonstrates information that may evidence unethical or fraudulent activity.
- “Subject” : means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation under this Policy;
- “Whistleblower” : An employee or other stakeholder making a protected disclosure under this policy and is commonly referred to as a complainant.
- “ZACL/Company” : refers to Zuari Agro Chemicals Limited.

## **Section 2 : Policy Content**

### **2.1 Who can raise concern**

Any employee, any Director or business associate who observes or is affected by any fraudulent activity can approach the Ombudsperson to voice his or her concerns. The complainant may be either an observer who is not directly impacted, or a victim who is directly or indirectly affected by such practices.

Protected Disclosures concerning:

- i) the employees at the levels of Deputy General Managers, General Managers, Chief General Manager, Vice Presidents, Presidents (employees within the grade of M0-M1) and above should be addressed to the Chairman of the Audit Committee of the Company; and
- ii) other Employees should be addressed to the Ombudsperson.

### **2.2. On what matters can concerns be raised on under this Policy.**

(hereinafter referred to as “Infringing Actions”)

- a). Abuse of authority
- b). Breach of contract
- c). Manipulation of company data/records
- d). Financial irregularities, including fraud or suspected fraud
- e). Criminal offence
- f). Unauthorised disclosure or misuse of confidential/proprietary information
- g). Deliberate violation of law/regulation
- h). Wastage/misappropriation of company funds/assets
- i). Negligence causing substantial and specific danger to public health and safety
- j). Failure to implement or comply with any approved Company policy
- k). Unethical behavior or illegal or unethical practices
- l). Dealing in the securities of the Company by the Designated Persons as defined in the Code of Conduct to regulate monitor and report Trading by Designated Persons under SEBI( Prohibition of Insider Trading) Regulation, 2015 when in possession of Unpublished Price Sensitive Information
- m) Any other violation/possible violation of the Code

### **2.3 How to raise a concern**

A person wishing to raise a concern, shall file a complaint in writing (Protected Disclosure) to the Ombudsperson/ Chairman of the Audit Committee (as the case may be) and provide the following information such as –

- i. Background
- ii. History of the fraud
- iii. Grounds for raising the concern
- iv. Identity of the Subject or subjects
- v. Documentary evidence, wherever available

The complaint may mention the identity of the Whistle blower. If requested, identity of such person shall be maintained confidential, to the extent that it does not hamper the investigation.

Protected Disclosures to be factual and not speculative or in the nature of a conclusion, and shall 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.

The Company has designated the Company Secretary, as the Ombudsperson.

The complaints may be submitted in either of these forms:

- Writing through hard copy mail to

*The Ombudsperson/ Chairman of the Audit Committee,  
Zuari Agro Chemicals Limited,  
Jai Kisaan Bhawan,  
Zuarinagar – 403 726, Goa, India.*

- Sending an e-mail to a secured mail ID,

[cmauditcommittee@adventz.com](mailto:cmauditcommittee@adventz.com) OR [ombudsperson@adventz.com](mailto:ombudsperson@adventz.com)

*The envelope containing Protected Disclosure should be marked as “Strictly Confidential- To be opened by addressee only”.*

## 2.4 Investigation Process

The policy provides for an investigation and resolution process in the following manner :

2.4.1 All complaints received under this Policy will be reviewed by Ombudsperson or Chairman of the Audit Committee, as the case may be. If initial enquiry by the Ombudsperson or Chairman of the Audit Committee, indicates that concern or grievance has no basis or it is not a matter to be investigated under this policy, it may be dismissed at this stage and the decision will be documented. All such cases will be reported to the Audit Committee in its next meeting.

2.4.2 Where initial enquiry indicates that further investigation is necessary, the Ombudsperson will forward such complaints to the Chairman of the Audit Committee for referring it to further investigation. In case a complaint is received directly by the Chairman of the Audit Committee hereof or through Ombudsperson, the Chairman may refer it for further investigation.

2.4.3 The Chairman of the Audit Committee may appoint an Investigator, either internal or external or may constitute an Investigation team for investigating the complaints received under this policy and such Investigator shall submit his / her/ their report to the Chairman of the Audit Committee. The Investigator/ Investigating Team may be assisted by the Ombudsperson in an investigation.

2.4.4. The type of investigation will depend upon the nature of the Protected Disclosure. The matters raised may be:

- i) Investigated internally through internal investigator/ investigating team
- ii) Referred to an external investigator
- e). The investigation is to be treated as a neutral fact-finding process.
- f). The outcome of the investigation may or may not support the conclusion of the Whistle Blower that an Infringing Action was committed.

#### 2.4.5. Documentation & Reporting

The Ombudsperson or the Chairman of the Audit Committee, as the case may be, will make a detailed written record of the Protected Disclosure. The record will include:

- a) Facts of the matter
- b) Whether the same Protected Disclosure has been raised previously, and if so, the outcome thereof.



- c) Whether the same Protected Disclosure has been raised previously against the same Subject.
- d) The financial/other loss incurred / would have been incurred by the Company.
- e) Findings of the investigation.
- f) Recommendations on disciplinary/other action(s).

#### 2.4.6 Decision

If an investigation leads the Audit Committee to conclude that one or more Infringing Actions has been committed, the Audit Committee shall decide such disciplinary/corrective actions as the Committee may deem fit. The information for the same will be sent to the Ombudsperson.

2.4.7 Any disciplinary/corrective action initiated against the Subject as a result of the findings of an investigation shall be in accordance with the applicable personnel conduct and disciplinary procedures / policies.

#### 2.4.8 Reporting and Retention of Documents

The Audit Committee shall submit a report to the Board of the Company on a regular basis about all Protected Disclosures referred to them together with the results of the investigation, if any.

The related documents need to be preserved for minimum of five years from the date of final reporting.

### 2.5 Protection / Immunity

- The process is designed to offer protection to whoever discloses concerns regarding fraud or suspected fraud to the Ombudsperson/ Chairman of the Audit Committee provided the disclosure is made in good faith and the alleged action or non-action constitutes a genuine and serious breach as is laid down in this Policy.
- A complainant is a person who has come to the decision to express a concern regarding possible fraud,. The policy requires that there be a genuine doubt and the person making the complaint is not expected to produce unquestionable evidence in support of the allegation. The Company has an obligation to ensure that a complainant who makes a disclosure in good faith and without malice is protected, regardless of whether or not the concern raised is ultimately found to be correct. No action will be taken against the complainant when an allegation made in good faith is not confirmed by subsequent investigation.

- Protection shall be given to whistleblowers 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 Whistleblower's right to continue to perform his duties/functions including making further Protected Disclosure.
- If the whistleblower is required to be a witness in criminal proceedings, the Company shall arrange for legal advice and physical protection to the Whistleblower.
- The identities of whistleblower and subject shall be kept confidential to the extent possible, subject to the needs of the investigation or law.
- Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

## 2.6 Exceptions and Disqualifications

### 2.6.1 Exceptions

- Any complaint or submission made under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 will be out of scope of this Policy and all such matters should be directed for submission to the concerned Internal Complaints Committee of the Company formed for this purpose.
- Any matter related to interpersonal issues, service conditions, organizational policies, terms and conditions of employment, etc. should be reported through the existing organizational channels addressing such concerns.

### 2.6.2. Disqualifications

The following instances would constitute a violation of this Whistle Blower Policy:

- Bringing to light personal matters regarding another person, which are in no way connected to the Organization.
- Reporting information which, he/ she does not have an authorization to access.
- While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as set out herein, any abuse of this protection will warrant disciplinary action.

- Protection under this policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a whistleblower knowing it to be false or bogus or with a malafide intention.
- In case a Whistle Blower makes repeated Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, the Audit Committee may take suitable action against such Whistle Blower including reprimand.
- Actions against such violations could range in their severity, if necessary even extending up to termination of one's employment / contract/ association with the organization.

## **Section 3 : Policy Implementation**

### 3.1 Roles & Responsibilities

#### **Audit Committee**

- Review of the Whistleblower Policy and any amendments to the policy thereof, before placing the same before the board for approval..
- Appointment of Ombudsperson, Investigator/ Investigating Team
- Defining the Roles and Responsibilities of the Investigator/ Investigating Team and Ombudsperson.
- Determine implication of investigation findings.
- Report findings of investigation to Board of Directors or External Auditors (if required).

#### **Whistleblower**

- Report any fraud or suspected fraud in accordance with this policy.
- Co-Operate with investigating authorities during the course of investigation
- Maintaining full confidentiality of the fraud reported to the Ombudsperson/ Chairman of the Audit committee subject to the need of the investigation or law
- Be a witness for criminal proceedings reported in the court of law
- Not to make frivolous, petty or false reports to the Ombudsperson

#### **Ombudsperson**

- Overseeing the implementation and review of the Whistleblower Policy.
- Provide details of all frauds and suspected frauds reported during each quarter to the Audit Committee
- Overseeing the investigation process and assist in appointment of an internal or external investigation team to conduct an investigation.
- Assist Investigating team to conduct investigation.
- Report the findings of the Preliminary Investigation to the Audit Committee.

#### **Investigation Teams**

- Derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- Perform investigations that shall be independent and unbiased both in fact and as perceived.
- Shall possess a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal professional standards.

- Upon completion of the investigation to hand over the investigation documents to the Audit committee..

### **Subject**

- Subjects have a duty to co-operate with the Ombudsperson/Audit Committee or any of the investigation teams during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- 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.

### **Employees**

- Maintain high standards of personal integrity.
- Inform the Ombudsperson where he/she believes that there is an opportunity for fraud or any fraudulent act has taken place.
- Assist in any investigations by making available relevant information and by co-operating in interviews.

### 3.2 Confidentiality

All concerns and issues raised under this Policy shall be treated in a confidential manner except to the extent necessary to conduct a complete, fair and effective investigation. Similarly, the identities of the Whistle Blower, Subject and the documents related to Protected Disclosure and investigation thereof shall be treated with confidentiality at all times and shall only be disclosed to the investigating team/ Disciplinary Committee or such other person, if required for facilitation of proper investigation.

### Amendment

The Company reserves the right to amend the Policy at any point in time. Any amendment to the Policy shall take effect from the date when it is approved by the Board of Directors of the Company and hosted on the company website.

### Conflict of law clause:

Any provision in this policy, insofar as it is inconsistent or contradictory with the provisions of law and/ or any statutory enactments shall, to the extent of such inconsistency, be void and the provisions of law/ statutory enactment shall prevail.