

GEM SUGARS LIMITED

VIGIL MECHANISM / WHISTLE BLOWER POLICY

1. PREAMBLE:

1.1 The Companies Act, 2013 mandates every listed company and such other class of companies, as may be prescribed, to establish a vigil mechanism for Directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Personnel (“the Code”), which lays down the principles and standards that should govern the actions of the Company, its directors and employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company.

1.2 The Vigil Mechanism/Whistle Blower Policy of Gem Sugars Limited also needs to provide for adequate safeguards against victimisation of director(s)/employee(s) who avail of the Vigil Mechanism.

1.3 Considering the applicability of Section 177(9) of the Companies Act, 2013 the Company has formulated this Vigil Mechanism/Whistle Blower Policy in compliance thereto.

2. DEFINITIONS:

- 2.1 **“Alleged wrongful conduct”** shall mean violation of applicable laws to the Company, Infringement of Company’s rules, misappropriation of monies, substantial and specific danger to public health and safety non-adherence to the Code or abuse of authority.
- 2.2 **“Board”** means the Board of Directors of the Company.
- 2.3 **“Code”** means The Code of Conduct for Directors and Senior Management Personnel adopted by the Company.
- 2.4 **“Company”** means Gem Sugars Limited and all its offices/divisions.
- 2.5 **“Employee”** means all the present employees and Whole-time Directors of the Company (whether working in India or abroad).
- 2.6 **“Protected Disclosure”** means a concern raised by an employee/director or group of employees/directors of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity falling under the title “COVERAGE OF THE POLICY” or Alleged wrongful conduct with respect to the Company.
- 2.7 **“Whistle Blower”** is an employee/director or group of employees/director(s) who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

3. POLICY OBJECTIVES:

- 3.1 The Company is committed to developing a culture where it is safe for all Directors/employees to raise concerns about any unacceptable practice and any event of misconduct.
- 3.2 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

directors/employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

- 3.3 The Vigil (Whistle Blower) Mechanism provides a channel to the employees and directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Code or Policy.
- 3.4 The mechanism/policy neither releases employees and directors from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation or with a malafide intent.

4. COVERAGE OF POLICY:

- 4.1 The Policy covers malpractices and events which have taken place/suspected to take place involving:
 - (a) Alleged wrongful conduct;
 - (b) Abuse of authority;
 - (c) Breach of contract;
 - (d) Negligence causing substantial and specific danger to public health and safety;
 - (e) Manipulation of company data/records;
 - (f) Financial irregularities, including fraud, or suspected fraud;
 - (g) Criminal offence;
 - (h) Pilferation of confidential/propriety information;
 - (i) Deliberate violation of law/regulation including Insider Trading;
 - (j) Misuse/misappropriation of Company's funds/assets;
 - (k) Breach of Company's Code of Conduct or Rules; and
 - (l) Any other unethical, biased, favoured, imprudent event.
- 4.2 The Policy should not be used as a route for raising malicious or unfounded allegations against colleagues.

5. ELIGIBILITY:

All Employees of the Company including Directors are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.