



POLICY

As approved by
Board of L&T
Sapura Shipping
Private Limited.

WHISTLE BLOWER POLICY

L&T SAPURA SHIPPING PRIVATE LIMITED



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1.0 Introduction

1.1 Vigil Mechanism

Good governance is an integral part of the existence of a company. It inspires and strengthens investors' confidence by ensuring the company's commitment to higher goals and profits. This objective is achieved by adopting transparent procedures and practices, having in place effective machinery to address the concerns of all stakeholders, keeping shareholders informed about developments in the company and ensuring effective control over the affairs of the company.

The Company is committed to the highest possible standards of openness, probity, and accountability. In line with that commitment we expect directors and employees that we deal with, to come forward and voice genuine concerns.

Keeping this in mind and to facilitate this process, the Company has formulated a Vigil Mechanism Framework to enable directors and employees to report genuine concerns.

The Vigil Mechanism Framework is a structured process, which encourages and facilitates directors and employees to report without fear, any wrongdoings or any unethical or improper practice which may adversely impact the image, credibility and/or the financials of the company, through an appropriate forum. The objective is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal accounting controls, or fraudulent reporting of financial information and anti-social conduct.

In other words, if directors and employees observe any wrongdoing that may adversely affect the company's image or financials they should assist in rectifying it by reporting it to the management for appropriate action.

1.2 Definition

- a. **Disclosure** means any communication made in good faith regarding the conduct of the employee or employer that may provide evidence of unethical or improper activity.
- b. **Vigilant Person/Whistle-blower** is a director or an employee, who finds that another director or employee or an outsider is engaged in a conduct which may inappropriately affect the image, credibility or financials of the Company and who may, without expecting any reward in return, report the matter to the management as per the guidelines given below. Such a person is known as a 'Vigilant Person/Whistle-blower' (hereinafter referred as 'Whistle-blower') and the matter so reported by any employee or director of the company shall be considered to be under 'VIGILANCE'.

2.0 Scope

2.1 Applicability

The Vigil Mechanism Framework is applicable to every director & employee of L&T Sapura Shipping Private Limited including directors and employees of its subsidiaries. The employees will include (permanent or on contract, working in India or abroad on deputation or otherwise)

2.2 Acts of Wrongdoings may include acts as illustrated below but not necessarily be limited to the same:

- Violations of the Code of Conduct
- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Fraudulent financial reporting
- Questionable accounting, internal accounting controls or auditing matters
- Pursuit of a benefit or advantage in violation of the Company's interest
- Misappropriation/misuse of Company's resources, like funds, supplies, or other assets
- Authorizing/receiving compensation for goods not received/services not performed
- Authorizing or receiving compensation for hours not worked
- Improper use of authority
- Release of Proprietary Information
- Kickbacks
- Theft of Cash/Assets
- Unauthorized Discounts/ Approvals/Sanctions
- Falsification/Destruction of Company Records
- Fraudulent Insurance Claims
- Disclosure of confidential information
- Any other activity by an Employee/Director that is undertaken in the performance of the Employee's official duties, whether or not that action is within the scope of his or her duties, and which is in violation of any national or international law including statutory/ regulatory rules and regulations.
- Work Place Harassment
- Sexual Harassment

Matters pertaining to the following may be excluded from the purview of Vigil Mechanism Framework

- Personal grievances
- Dissatisfaction with appraisals and rewards
- Complaints relating to Service conditions
- Suggestions for improving operational efficiencies
- Company policies

The Vigil mechanism will be implemented by the Audit Committee where the Company has constituted one or through a director so nominated by the Board to play role of Audit Committee herein after referred to as 'Nominated Director'.

3.0 Composition & Role of Vigil Committee

3.1 Structure of the Committee

The Management of the Company is empowered to form a Vigil Committee which will act as an Ombudsman Committee and consist of Senior Executives. The Committee will meet once in a quarter or earlier, if need arises. The Vigil Committee may form a separate Regional Committee, as it may consider appropriate, which will function as per the Vigil policy herein and as per the applicable local regional laws.

3.2 Responsibilities

- Receiving and acknowledging complaints
- Sorting / Screening/ Short listing Investigation through appropriate delegation/ agencies/appointing investigators
- Recommend course of action based on investigation to management
- Prevention and redressal of whistle-blower harassment
- Any other related responsibility as decided by the management
- The decision on the course of action on the whistle-blower's complaint as taken by the Committee shall be final unless found material and in opinion of Committee requires intervention by Audit Committee/Nominated Director.

3.3 Meetings and Records

The Ombudsman Committee will maintain its records such as Agenda, Minutes of the Meeting, Complaint Reports, and Action initiated etc.

4.0 Procedure

4.1 Reporting system:

The Company will employ the following mechanism to facilitate the disclosure of suspected improper conduct:

- In the case of oral reports, the Whistle-blower may approach his immediate superior or the Departmental Head who should get the oral report converted into a written one. The written report should then be forwarded to the Vigil Committee.
- Disclosure of suspected improper activity may be sent directly to the Vigil Committee (Via a letter or an email igrc.lthe@larsentoubro.com). Disclosures should be reported in writing to ensure a clear understanding of the issues raised and should either be typed or written in legible handwriting. Report should cover briefly the matter to be

reported along with name, department, location and contact number of Whistle-blower.

- Disclosures should be factual and not speculative, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and should be backed by evidences where required.
- A whistle-blower wishing to make a written report may send it directly to Vigil Committee. Reports should be send to the below mentioned address in a sealed envelope and be marked "CONFIDENTIAL".

Vigil Committee is not bound to take cognizance of anonymous letters. Such anonymous communications will be appropriately dealt with by the Company.

Disclosures should be addressed to the Vigil Committee and those concerning the members of Vigil Committee or Disclosures by Directors should be addressed to the Chairman of the Audit Committee or to the Nominated director as the case may be.

A. Disclosures to the *Vigil Committee* can be sent to the following address:-

Vigil Committee

L&T Sapura Shipping Private Limited
A M Naik Tower, 9th Floor, Gate No. 3,
Jogeshwari Vikroli Link Road, Powai, Mumbai- 400072
Email ID: igrc.lthe@larsentoubro.com

(OR)

The concerns could be reported on a dedicated Hotline Number 022 26705 3535. The concerns so recorded on this HOTLINE number should be reviewed periodically which should not exceed 30 days and suitably redressed.

B. Disclosures to the *Audit Committee/Director* can be sent to the following address:

Chairman - Audit Committee/ Nominated Director

L&T Sapura Shipping Private Limited
A M Naik Tower, 9th Floor, Gate No. 3,
Jogeshwari Vikroli Link Road, Powai, Mumbai- 400072

- Upon receipt of the disclosure from a whistle-blower, Vigil Committee /Chairman of the Audit Committee/ Nominated Director will review and may deal with the complaint, in the manner as it deems necessary.

5.0 Protection under the Vigil Mechanism & Confidentiality of Whistle-blower

5.1 Freedom to Report

Directors or Employees should feel free to report matters of wrongdoing to the Vigil Committee without fear of any repercussion on themselves. The management assures of

maintaining anonymity and also affirms that the whistle-blower/person exercising vigilance shall be protected from unfair termination and any other unfair prejudicial employment practices, which the whistle-blower may face from any quarters within the Company due to the act of whistle blowing/exercising vigilance.

5.2 Assurance of Confidentiality

The identity of the Whistle Blower shall be kept confidential to the extent possible however this shall not be applicable if any employee is called upon to disclose this issue by any judicial process and in accordance with the laws of land.

While it will be ensured that Whistle Blowers are accorded protection from any unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action. Committee has the right to withdraw the hotline number service if abuse of service is detected/observed.

If at any time, whistle-blower perceives or apprehends that he is being unfairly victimized or harassed due to his act of whistle blowing/exercising vigilance, he shall have the right to approach the Ombudsman Committee who will review the whistle-blower complaint and take appropriate action, as applicable, to ensure that the whistle-blower is not so subjected to any unfair or prejudicial employment practices on account of his alleged victimization.

6.0 Date of Implementation:

This Policy under the Vigil Mechanism comes into force from 1st April, 2014.

7.0 Review & Amendment

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Audit Committee or the Board of the Company has the right to change/amend the policy at any time at its discretion and the amendments shall be notified to the employees.

HIERARCHICAL STRUCTURE OF VIGIL MECHANISM

