



## **ZEN TECHNOLOGIES LIMITED**

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## **WHISTLE BLOWER POLICY**

*(The policy was reviewed and amended suitably by the Board of Directors on 12<sup>th</sup> Nov 2022)*



The Company is committed to adhere to the highest possible standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its Employees and Directors who have concerns about any unethical or unacceptable practice and any event of misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct or violation of law in force.

Section 177 of the Companies Act, 2013 requires every listed company to establish a vigil mechanism for the 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 Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees.

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) inter alia, provides for all listed companies to establish a Vigil Mechanism /Whistle Blower Policy enabling stakeholders, including individual employees and their representative bodies to freely communicate their concerns about illegal or unethical practices and to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company’s code of conduct.

Regulation 9A (6) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended requires every listed company to have a whistle blower policy to report instances of leak of unpublished price sensitive information. The Company has adopted an Insider Trading Policy and allied policies (“ITP Policy”) in accordance with Regulation 8(1) and Regulation 9(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, which provides for the measures to deal with the unpublished price sensitive information of the Company.

## **OBJECTIVE**

This policy seeks the support of the Company’s employees, channel partners, stakeholders including the suppliers and vendors, to report significant deviations from key management policies and report any non-compliance and wrong practices, e.g., illegal, unethical behaviour, fraud, violation of law, inappropriate behaviour /conduct, misuse or mishandling of unpublished price sensitive information etc.

Any actual or potential violation of the Code or the ITP Policy, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.



## **POLICY**

The Vigil Mechanism / Whistle Blower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company including its reputation and goodwill. A Vigil (Whistle Blower) mechanism provides a channel to the stakeholders, employees and Directors to report to the management concerns about illegal, unethical behaviour, actual or suspected fraud or violation of the Code of conduct or policy including ITP 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.

The policy neither releases employees or stakeholders 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 against people in authority and / or colleagues in general.

## **SCOPE OF THE POLICY**

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, demanding and / or accepting gratification, obtaining a valuable thing without or inadequate consideration from a person with whom he has or may have official dealings, obtaining for self or any other person pecuniary benefits by corrupt or illegal means or abusing his position, violation of ITP Policy whether in dealing with the securities of the Company or handling unpublished price sensitive information 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.

The employees and the stakeholders of the Company are eligible to make Protected Disclosures under the Policy. An employee or a stakeholder can avail of the channel provided by this Policy for raising an issue covered under this Policy.

The Policy generally covers malpractices and events which have taken place /suspected to take place involving:

- Abuse of authority.
- Breach of contract.
- Negligence causing substantial and specific danger to public health and safety.
- Manipulation of Company's data / records.
- Financial irregularities, including fraud or suspected fraud or deficiencies in internal control and check or deliberate error in preparations of financial statements or misrepresentation of financial reports.
- Any unlawful act whether criminal / civil.
- Pilferage of confidential / proprietary information.
- Deliberate violation of law / regulation.
- Wastage / misappropriation / siphoning of Company's funds / assets.



- Breach of Company policy or improper practice of the Company's policies or procedures, failure to implement or comply with any approved Company policy.
- Wilful negligence of assigned duties that could result in damage / loss to the Company.
- Violation of ITP Policy including the leak of unpublished price sensitive information of the Company.

This Policy should not be used in place of the Company's grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

## DEFINITIONS

- ❖ **"Audit Committee"** means a Committee constituted by the Board of Directors of the Company in accordance with SEBI (LODR) Regulations and Companies Act, 2013.
- ❖ **"Company"** means "Zen Technologies Limited."
- ❖ **"Compliance Officer"** means, "Company Secretary" of the Company.
- ❖ **"Disciplinary Action"** means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- ❖ **"Good Faith"** An Employee or a Director shall be deemed to be communicating in "good faith" if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct.  
Good Faith shall be deemed lacking when the Employee or a Director does not have personal knowledge on a factual basis for the communication or where the Employee or a Director knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.
- ❖ **"Investigation Committee"** means a committee appointed by Audit Committee, to investigate into the matter raised by whistle blower, if the circumstances so suggest. Key directions / actions taken will be informed to the Chairman and Managing Director (CMD) and Audit Committee.
- ❖ **"Policy or This Policy"** means, "Whistle Blower Policy."
- ❖ **"Protected Disclosure"** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity/ practice. Protected Disclosures should be factual and not speculative in nature.



- ❖ **“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.
- ❖ **“Unethical and Improper Practices”** Unethical and improper practices shall mean
  - a) An act which does not conform to approved standards of social and professional behavior;
  - b) An act which leads to unethical business practices;
  - c) Improper or unethical conduct;
  - d) Breach of etiquette or morally offensive behaviour, etc.
- ❖ **“Whistle Blower”** is an Employee or a Director who makes a Protected Disclosure under this Policy.
- ❖ **“Whistle Officer”** means an officer who is nominated/ appointed for the purpose of receiving all complaints under this policy and ensuring appropriate action.
- ❖ **“Code”** means Code of Conduct for Directors and Senior Management Executives of Pitti Engineering Limited.
- ❖ **“Alleged wrongful conduct”** shall mean violation of law, infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific anger to public health and safety or abuse of authority.

## ELIGIBILITY

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

## GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- Keep the identity of the Whistle Blower absolutely confidential.
- Ensure that the Whistle Blower and / or the person processing the Protected Disclosure is not victimized for doing so.
- Treat victimization as a serious matter, including initiating disciplinary action, if required, on such person/(s).
- Ensure complete confidentiality.
- Not attempt to conceal evidence of the Protected Disclosure.
- Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made.
- Provide an opportunity of being heard to the persons involved especially to the Concerned person.



- Disclosure in writing to be sent / handed over in a sealed cover to the Chairman of the Audit Committee.

## **ANONYMOUS ALLEGATION**

Whistle-blowers must put their names to allegations of unethical & improper practices, as follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously shall not be investigated but subject to the seriousness of the issue raised, the Audit Committee can initiate an investigation independently.

## **INVESTIGATION**

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.

The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process.

Concerned person(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

Concerned person(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

Concerned person(s) have a right to consult with a person or persons of their choice, other than the Vigilance Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.

Concerned person(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the Concerned person(s).

Unless there are compelling reasons not to do so in the interests of the Company, concerned person(s) will always be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a Concerned person(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

Concerned person(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Concerned person should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Concerned person and the Company.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.



In the event of a leak or any suspected leak of Unpublished Price Sensitive Information, the procedure as laid down in 'Policy and Procedure of Enquiry in Case of Leak of Unpublished Price Sensitive Information' of the Company, shall be followed.

## **DECISION AND REPORTING**

If an investigation leads the Vigilance Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance Officer/ Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Concerned person(s) as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures. The Board of Directors may, if it deems appropriate and if the nature of the act so requires, refer the matter to the law enforcement authorities.

The Vigilance Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

In case the Concerned person is the Chairman & Managing Director of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the Protected Disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the concerned person(s) to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **PROCEDURE FOR REPORTING & DEALING WITH DISCLOSURES**

**Step 1:** The Whistle Blower can make Protected Disclosure to Whistle Officer or in case it involves HOD's/Managerial Personnel to CMD / Investigation Committee and in exceptional cases to the Audit Committee as soon as possible but not later than 30 consecutive days after becoming aware of the same.

**Step 2:** A Disclosure shall be made in writing or Email/s and may be sent to the email id: [whistleofficer@zentechnologies.com](mailto:whistleofficer@zentechnologies.com). Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated. Confidentiality of the whistle blower shall be maintained to the greatest extent possible.



The following details MUST be mentioned in the disclosure:

- (a) Name, address and contact details of the Whistle-blower (add Employee ID if the Whistle-blower is an Employee).
- (b) Brief description of the Unethical and Improper practice, giving the names of those alleged to have committed or about to commit an Unethical and Improper practice. Specific details such as time and place of occurrence are also important.
- (c) In case of letters, the disclosure should be sealed in an envelope marked “Whistle Blower” and addressed to Whistle Officer.

**Step 3:** The Whistle Officer shall acknowledge receipt of the Disclosure as soon as practical (preferably within 07 days of receipt of a Disclosure), where the Whistle Blower has provided his/her contact details.

**Step 4:** If initial enquiries by Whistle Officer indicate that the concern has no basis, or it is not a matter to be investigated pursued under this Policy by discussing with CMD, it may be dismissed at this stage and the decision is documented with reasons and the same will be communicated to the Whistle Blower.

**Step 5:** Where initial enquiries indicate that further investigation is necessary, the same will be carried by the Investigation Committee appointed by the Audit Committee. The investigation would be conducted in a fair manner, as a neutral factfinding process and without presumption of guilt. A written report of the findings would be made.

The Investigation Committee shall have right to call for any information/document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.

Name of the Whistle Blower shall not be disclosed to the Investigation Committee. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

**Step 6:** The Whistle Officer/ Investigation Committee shall:

I) Make a detailed written record of the Protected Disclosure. The record will include:

- a) Facts of the matter
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether any Protected Disclosure was raised previously against the same Subject;
- d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
- e) Findings of Whistle Officer / Investigation Committee.
- f) The recommendations of the Whistle Officer / Investigation Committee on disciplinary/other action/(s).





ii) The Whistle Officer / Investigation Committee shall finalize and submit the report to CMD as soon as practically possible and in any case not later than 30 days after completion of inquiry/investigation to the CMD / Chairperson of the Audit Committee.

**Step 7:** On submission of report, the Whistle Officer /Investigation Committee shall discuss the matter with CMD who shall either:

i) In case the Protected Disclosure is proved, accept the findings of Whistle Officer /Investigation Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;

ii) In case the Protected Disclosure is not proved, extinguish the matter;

Or

iii) Depending upon the seriousness of the matter, CMD may refer the matter to the Audit Committee with proposed disciplinary action/counter measures for necessary action, which may inter-alia include:

a) Order for an injunction to restrain continuous violation of this policy;

b) Reinstatement of the employee to the same position or to an equivalent position;

c) Order for compensation for lost wages, remuneration or any other benefits, etc.

d) Disciplinary action, including dismissal, if applicable, as well as preventive measures for the future.

**Step 8:** All discussions would be minuted and the final report prepared. The decision of Audit Committee shall be final and binding. If and when the Audit Committee is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then the Audit Committee may –

- Recommend to reprimand, take disciplinary action, impose penalty, punishment order recovery when any alleged unethical & improper practice or wrongful conduct of any Subject is proved.

- Recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

**Step 9:** In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, s/he can make a direct appeal to the Chairperson of the Audit Committee.

## **RETENTION OF DOCUMENTS**

All Protected Disclosures in writing or documented along with the results of inquiry /investigation relating thereto shall be retained by the Company for a minimum period of 10 years.

## **REPORTS**

A quarterly status report on the total number of complaints received during the period, with outcome and the corrective actions shall be placed before the Audit Committee.



## **PROTECTION TO WHISTLE BLOWER**

If an Employee or a stakeholder raises a concern under this Policy, he / she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. He/she will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, loss of business or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties/functions including making further Protected Disclosures, as a result of reporting under this Policy.

## **ACCOUNTABILITIES – WHISTLE BLOWERS**

- Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- Avoid anonymity when raising a concern.
- Follow the procedures prescribed in this policy for making a Protected Disclosure.
- Co-operate with investigating authorities, maintaining full confidentiality.
- The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty disclosures.
- A Whistle Blower has the right to protection from retaliation.
- Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged malpractice/violation. It may forewarn the Concerned Person(s) in case any important evidence is likely to be destroyed.

In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation carried out by the Vigilance Officer, he / she can make a direct appeal to the Chairman & Managing Director of the Company.

## **RIGHTS OF A CONCERNED PERSON**

- Concerned person(s) have a right to be heard and the Vigilance Officer must give adequate time and opportunity for the Concerned person(s) to communicate his/her say on the matter.
- Concerned person(s) have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry / investigation process.
- Concerned person(s) have a right to consult with a person or persons of their choice, other than the Investigators and/or the Whistle Blower.
- Concerned Person(s) shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the Concerned Person(s) are not sustainable, then the Company may see reason to reimburse such costs.



## **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

The Whistle Blower shall have a right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

## **ANNUAL AFFIRMATION**

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

## **NOTIFICATION**

All departmental heads are required to notify and communicate the existence and contents of this policy to the employees of their department. Every departmental head shall submit a certificate duly signed by him to the Compliance Officer that this policy was notified to each employee of his department. The new employees shall be informed about the policy by the Personnel department and statement in this regard should be periodically submitted to the Compliance Officer.

This policy as amended from time to time shall be made available at the Website of the Company.

## **COMPANY'S POWERS**

The Company is entitled to amend, suspend or rescind this policy at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.

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