

POLICY ON VIGIL MECHANISM

PREFACE:

1. Section 177(9) of the Companies Act, 2013, requires every listed Company or such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
2. Rule- 7 of the Companies (Board Meeting and its Powers) Rules, 2014, provides that every listed Company and the companies belonging to the following class or classes shall establish a vigil mechanism for their directors and employees to report genuine concern and grievances:
 - i. Companies which accept deposits from the Public; and
 - ii. Companies which have borrowed money from banks and public financial institutions in excess of Rs. 50 Crore.
3. Accordingly, Maharashtra Airport Development Company Limited proposes to establish a Vigil Mechanism as the Company has borrowed funds from Banks and Public Financial Institutions in excess of Rs. 50 Crore and to formulate a Policy for the same.

I. POLICY OBJECTIVE:

1. 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 (Whistleblower) mechanism provides a channel to the employees and Directors to report to the management their grievances or concerns about unethical behaviour, actual or suspected fraud or violation of the Policies. 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.
2. This neither releases employees 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.

II. SCOPE OF THE POLICY:

1. The Policy covers, without limitations, the following:
 - a) Misuse or abuse of authority;
 - b) Fraud or suspected fraud;
 - c) Pilferation of confidential/propriety information;
 - d) Misappropriation of Company funds/assets;
 - e) Wilful negligence causing danger to public health and safety; and
 - f) Any other unethical, biased, favoured, imprudent activity on account of which the interest of the Company is affected.
2. Through this Policy, the Company seeks to provide a procedure for all the employees for the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting.
3. The Policy does not cover the following:
 - a) Frivolous, anonymous and bogus complaints;
 - b) Business and financial decisions taken by the Company that do not involve wrong doing or illegality;
 - c) Any matter already addressed pursuant to disciplinary or other procedures of the Company;
 - d) Career or employment related;
 - e) Other personal grievances.

III. ELIGIBILITY:

All permanent Employees (including future employees) of the Company (excluding contractual employee) and present Directors (including future Directors) are eligible to make Protected Disclosure(s) under the Policy in relation to matters concerning the Company.

Employees on deputation to the Company are also eligible to make Protected Disclosures(s) under the Policy in relation to matters concerning the Company.

IV. DEFINITIONS:

1. “Audit Committee” means a Committee constituted/reconstituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and the rules made thereunder.
2. “Board” means the Board of Directors of the Company as in force.
3. “Company” means Maharashtra Airport Development Company Limited.

4. “Competent Authority” means the Vice Chairman and Managing Director of the Company and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this Policy from time to time.
5. “Employee” means all the permanent employees (including future employees) of the Company as defined under point no. III above.
6. “Director” means a Director appointed to the Board of the Company.
7. “Improper Activity” means any activity by an employee of the Company that is undertaken in performance of his or her official duty, whether or not that act is within the scope of his or her employment, and that is in violation of any law or the rules of conduct applicable to the employee, including but not limited to abuse of authority, breach of contract, manipulation of Company data, pilferage of confidential / proprietary information, criminal offence, corruption, bribery, theft, conversion or misuse of the Company's property, fraudulent claim, fraud or wilful omission to perform the duty, or that is economically wasteful or involving gross misconduct, incompetence or gross inefficiency and any other unethical biased favoured or imprudent act.

Activities which have non-nexus to the working of the Company and are purely of personal nature are specifically excluded from the definition of Improper Activity.

8. “Investigators” means those persons authorized, appointed, consulted or approached by the Competent Authority in connection with conducting investigation into a Protected Disclosure and includes the Auditors of the Company.
9. “Protected Disclosure” means a concern raised by an employee or group of employees of the Company or a Director of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity covered under the “SCOPE OF THE POLICY” with respect to the Company. However, the Protected Disclosures should be factual and not speculative or in the nature of an interpretation/conclusion and should contain as much specific information as possible to allow proper assessment of the nature and extent of the concern.
10. “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.
11. “Whistleblower” is an employee or group of employees or Director(s) who make a Protected Disclosure under this Policy and also referred in this Policy as complainant.

V. GUIDING PRINCIPLES:

1. Protected Disclosures are acted upon in a time bound manner.
2. Complete confidentiality of the Whistleblower is maintained.
3. The Whistleblower and/or the person(s) processing the Protected Disclosures are not subjected to victimization.

4. Evidence of the Protected Disclosure is not concealed and appropriate action including disciplinary action is taken in case of attempts to conceal or destroy evidence.
5. Subject of the Protected Disclosure i.e. person against or in relation to whom a Protected Disclosure has been made, is provided an opportunity of being heard.

VI. WHISTLEBLOWER - ROLE AND DISQUALIFICATIONS:

A) Role:

1. The Whistleblower's role is that of a reporting party with reliable information.
2. The Whistleblower is not required or expected to conduct any investigations on his own.
3. The Whistleblower does not have any right to participate in investigations.
4. Protected Disclosure will be appropriately dealt with by the Competent Authority.
5. The Whistleblower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons on his written request.

B) Disqualifications:

1. Genuine Whistleblowers will be accorded protection from any kind of unfair treatment/victimization. However, any abuse of this protection will warrant disciplinary action against him.
2. Whistleblowers, who make any Protected Disclosures, which have been subsequently found to be motivated or malafide or malicious or frivolous, baseless or reported otherwise than in good faith, will be liable for disciplinary action as per the applicable Rules.
3. Whistleblowers, who make three Protected Disclosures, which have been subsequently found to be malafide, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosure under this Policy.

VII. PROCEDURES - ESSENTIALS AND HANDLING OF PROTECTED DISCLOSURE:

1. The Protected Disclosure/Complaint should be attached to a letter bearing the identity of the Whistleblower/complainant i.e. his/her Name, Employee Number and Location, and should be submitted in a closed/secured/sealed envelope addressed to the Competent Authority which should be superscribed "Protected Disclosure". (If the envelope is not superscribed and closed/sealed/secured, it will not be possible to provide protection to the Whistleblower as specified under this Policy). The text of the complaint should be carefully drafted so as not to give any details or clue as to Whistleblower identity.

2. If the Whistleblower believes that there is a conflict of interest between the Competent Authority and the Whistleblower, he may send his Protected Disclosure directly to the Chairman, Audit Committee of the Board of Directors of the Company.
3. Anonymous or pseudonymous Protected Disclosure shall not be entertained.
4. Protected Disclosure should either be typed or written in legible handwriting in English or Marathi and should provide a clear understanding of the Improper Activity involved or issue/concern raised.
5. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to assist for proper assessment of the nature and extent of the wrongdoing and should help in investigation.
6. In order to protect identity of the person, Competent Authority will not issue any acknowledgment and the Whistleblowers are advised not to enter into any further correspondence.

VIII. INVESTIGATIONS AND ROLE OF INVESTIGATORS:

On receipt of Protected Disclosure, the Competent Authority shall detach the covering letter and verify/confirm the authenticity of the Whistleblower. On receipt of confirmation, the Protected Disclosure shall be forwarded to the investigators for investigation.

A) Investigation:

1. Investigations will be launched only after a preliminary review by the Competent Authority which establishes that:
 - i) The alleged act constitutes an improper or unethical activity or conduct, and
 - ii) The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information but it is felt that the concerned matter deserves investigation.
2. If the Competent Authority determines that an investigation is not warranted, reason(s) for such determination shall be recorded in writing.
3. If the Competent Authority is prima facie satisfied that the Protected Disclosure warrants investigation of the alleged improper activity, Competent Authority will direct appropriate investigating machinery of the Company to investigate the matter.
4. The decision to conduct an investigation taken by the Competent Authority is by itself not to be construed as an accusation and is to be treated as a neutral fact-finding process.
5. The identity of a Subject and the Whistleblower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

6. Subjects will normally be informed of the allegations at the outset of a formal investigation and will be given opportunities for providing their inputs during the investigation.
7. Subjects shall have a duty to co-operate with the Competent Authority or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
8. 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.
9. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
10. Subjects have a right to be informed of the outcome of the investigation.
11. The investigation shall be completed normally within 45 days of the date of receipt of the Protected Disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.

B) Role of Investigators:

1. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority from Audit Committee/Competent Authority when acting within the course and scope of their investigation.
2. All Investigators shall perform their role in an independent and unbiased manner. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of professional standards.

IX. PROTECTION:

1. The identity of the Whistleblower shall be kept confidential.
2. No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported a Protected Disclosure under this Policy.
3. Complete protection will 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.
4. If the Whistleblower is required to give evidence in criminal or disciplinary proceedings, arrangements will be made for the Whistleblower to receive advice about the procedure. Expenses incurred by the Whistleblower in connection with the above, towards travel etc. will be reimbursed as per normal entitlements.

5. A Whistleblower may report any violation of the above clause to the Competent Authority who shall investigate into the same and take corrective action as may be required.
6. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.
7. Whistleblower shall have direct access to the Chairman, Audit Committee against victimization.

X. ACTION:

1. If the Competent Authority is of the opinion that the investigation discloses the existence of improper activity which warrants disciplinary action against the subject employee(s), the Competent Authority shall report the matter to the concerned Disciplinary Authority for appropriate disciplinary action.
2. The Competent Authority shall take such other remedial action as deemed fit to remedy the improper activity mentioned in the Protected Disclosure or to prevent the re-occurrence of such improper activity.
3. If the Competent Authority is of opinion that the investigation discloses that no further action on the Protected Disclosure is warranted, he shall so record in writing. Recording should be incorporated in the Quarterly Report to be submitted to Audit Committee as mentioned in sub-para 1 of point no. XII below (Reporting and Review).
4. If the Competent Authority is satisfied that the Protected Disclosure is false, motivated or vexatious, the Competent Authority may refer the matter to the concerned Disciplinary Authority for appropriate disciplinary action against the Whistleblower with a copy to Chairman, Audit Committee for information.

XI. REPORTING AND REVIEW:

1. The Competent Authority shall submit a quarterly report of the Protected Disclosures received and of the investigation conducted, and of the action taken report shall be submitted to the Audit Committee of the Board of Directors of the Company annually.
2. The Audit Committee shall have power to review any action or decision taken by the Competent Authority.

XII. SECRECY/CONFIDENTIALITY:

The Whistleblower, Competent Authority, Members of Audit Committee, the Subject and everyone involved in the process shall:

1. Maintain confidentiality of all matters under this Policy.
2. Discuss only to the extent or with those persons as required under this Policy for completing the process of investigations.

XIII. RETENTION OF DOCUMENTS:

All Protected Disclosures in writing or documented along with the results of Investigation relating thereto shall be retained by the Company for a period of five years.

XIV. NOTIFICATION:

All departmental heads are required to notify and communicate the existence and contents of this Policy to the employees of their department. The new employees shall be informed about the Policy by the Administration Department.

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

XV. AMENDMENTS:

This Policy can be modified or repealed at any time by the Board of Directors of the Company.

This policy is adopted by the Board of Directors in its 54th meeting held on May 4, 2016, with immediate effect.
