

MMTC LIMITED: CORPORATE OFFICE
PERSONNEL DIVISION
(IR SECTION)

No. MMTC/IRP/CO//241/2014-15

Dated: 14.8.2014

CIRCULAR No.13/2014

Sub: Implementation of Vigil Mechanism Scheme

Section 179 – Rule 7 of new Companies Act 2013, provides for establishment of Vigil Mechanism. In compliance of the directions of Audit Committee of Directors in its 88th meeting held on 9.6.2014, it has been decided with the approval of the Board to introduce a scheme on 'Vigil Mechanism'. The details of the scheme are as follows:

1. Audit Committee Vigil Mechanism is being established for the Directors and employees to report their genuine concerns.
2. The concerns dealt under this mechanism shall be distinct from that of the grievances which shall be addressed through appropriate Grievance Redressal Mechanism and such issues will not constitute part of vigil mechanism.
3. The complaints from the employees including Board level executives shall be accepted only through e-mail to the identified e-mail address i.e vigil@mmtclimited.com to be operated by the Company Secretary only.
4. Complaints made in physical form shall not be accepted. All complaints should be directly addressed to the above e-mail ID only.
5. Audit Committee vigil mechanism will not be available for outside entities like retired employees as it is intended for internal control.
6. The Company Secretary/Assistant Company Secretary at C.O. shall function as Member Secretary. He will serialize all the "concerns" received and fix a date for the meeting in consultation with the Chairman, Audit Committee.
7. The Audit Committee on receipt of complaints shall consider and examine the concerns so received and recommend suitable remedial action.
8. In case the matter is such which merits further investigation then the Audit Committee shall direct the same to be carried out. In all such cases the investigation shall be completed within two months from the date of placement of the "concern" before the Audit Committee.
9. The Audit Committee may at its discretion extend the time limit should there be sufficient reasons during the fact finding process of the investigation.



However the Audit Committee will have the discretion of specifying the timeline for disposal of such concern.

10. In case anyone/more of the members of the Committee have conflict of interest with respect to a particular concern, then such member(s) should recuse themselves and the others on the committee would deal the matter on hand.
11. Persons registering concerns under this scheme will be accorded protection from any kind of unfair treatment/victimization in terms of the relevant provisions of the Companies Act, 2013. The vigil mechanism under Para 177, sub-section(9) of Companies Act, 2013 provide for adequate safeguards against victimization of employees who avail such vigil mechanism and also provide for direct access to 'Chairperson of the Audit Committee' in appropriate and exceptional cases.
12. Concerns if found to be frivolous, motivated, mala fide, then the Audit Committee may recommend major/minor disciplinary proceedings against the concerned employee in accordance with the relevant provisions of MMTC ECDA Rules.
13. The procedure under the scheme shall be reviewed after a year and suitable modifications and amendments will be made, if required, to make the Scheme more effective.



(VSN RAO)

DY. GENERAL MANAGER (IR)

1. ES to CMD/PSs to Directors/CVO
2. Board Secretariat
3. All CGMs/GMs/DGMs at CO
4. All Regional Heads.
5. Notice Board, CO/ROs/SRO
6. Office Order File
7. Secretary General Federation of MMTC Officers' Associations/ Federation of Staff Unions and SC/ST Welfare Association(s).
8. MMTC Employees Union, CO, New Delhi/Kolkata Zone Employees Union.
9. GM(Systems) - with a request to arrange to hoist the above circular on MMTC Intranet.