



**Sitara**<sup>®</sup>  
A SEWA INITIATIVE

**VIGIL MECHANISM / WHISTLE BLOWER POLICY**

**SEWA GRIH RIN LIMITED**

**Prepared by: Compliance Team**

**Reviewed by: Ms. Shruti Savio Gonsalves**

**Approved by: Board of Directors on**

**DOCUMENT HISTORY:**

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## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

### **REGULATORY FRAMEWORK**

This Whistle Blower Policy/Vigil Mechanism (the "Policy") is formulated in terms of the relevant provisions under Section 177(9 & 10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 for the directors and employees of the Company to report genuine concerns or grievances about unethical behaviors, actual or suspected fraud or violation of Company Code of conduct or ethics policy.

In terms of the aforesaid applicable provisions of the Companies Act 2013, SEWA Grih Rin Limited (SGRL/SITARA/the Company) has formulated the Whistle Blower policy/Vigil Mechanism which shall provide adequate safeguards against victimization of whistle blower and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

### **POLICY OBJECTIVES**

The Company is committed to maintain the highest standard 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 their concern without fear of punishment or unfair treatment. A Vigil Mechanism provides a channel to the employees to report to the management about unethical behavior, actual or suspected fraud, etc. This mechanism shall provide adequate safeguards against victimization of whistle blower and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Provided however that the employees should maintain their duty of confidentiality in course of their duty to perform and do not raise any malicious or unfounded allegations against people in authority and/or against colleagues.

### **ELIGIBILITY**

All the employees of the Company and directors are eligible to make protected disclosure under the Policy in relation to matters concerning the Company.

### **DEFINITIONS**

The definitions of some of the key terms used in this Policy are given below.

"Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with the Companies Act 2013 and the rules framed thereunder, as amended from time to time.

"Code" means Fair Practices Code, Code of Conduct pertaining to all employees, Code of Conduct pertaining to the Directors or any other Code as may be prescribed by the Company and/or any other act, rules, etc. and as amended from time to time.

"Director" means a director appointed to the Board of the Company and as defined under the Companies Act, 2013 and Share Subscription & Shareholders' Agreement.

"Employee" means every employee of the Company, including the Directors in the employment of the Company (Managing Director/ Whole Time Director).

"Investigators" mean persons authorized, appointed, consulted or approached by the Principle Officer/Audit Committee and is inclusive of but not limited to the internal or statutory auditors of the Company and the police.

"Principal Officer" means the Managing Director or the Chairman of the Audit Committee.

"Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

"Subject" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

"Whistle Blower" any employee or director who makes or attempts to make a protected disclosure as defined above.

"Whistle Blowing" the deliberate, voluntary and protected disclosure of individual or organizational malpractice by a person who has or had privileged access to data, events or information about an actual, suspected or anticipated wrongdoing within or by the organization that is within its ability to control.

### **SCOPE**

The Policy covers malpractices and events which have taken place/suspected to take place involving (indicative list):

1. Abuse of authority;
2. Breach of contract;
3. Negligence causing substantial and specific danger to public good;
4. Manipulation of company data/records;
5. 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;
6. Any unlawful act whether Criminal/ Civil;
7. Deliberate violation of law/regulation;
8. Wastage/misappropriation of company funds/assets
9. Breach of Company policy or failure to implement or comply with any approved Company policy
10. Actions not specifically mentioned here but have been mentioned in the Codes, as defined, would also be covered
11. Any other actions that are detrimental to the interest and reputation of the Company

However, before reporting any such adverse events, the whistle blower has to ascertain that a violation has actually occurred and that the act is not based on what can be termed as a normal business decision.

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

### **REPORTING RESPONSIBILITY & INVESTIGATION**

Whistle Blower shall promptly report to the Principal Officer any actual or possible violation of the Code or an event he/she becomes aware of that could affect the business or reputation of this or any other group Company.

All Protected Disclosures should be addressed to the Principal Officer of the Company.  
The contact details of the Principal Officer is as under:

(i) Managing Director

Address: **Registered office:**

1st Floor, 216/C-12, Old No. C-12,  
Plot No. 13-B, Guru Nanak Pura,  
Laxmi Nagar, Delhi – 110092  
Phone: 011-4352-1832

**Corporate office:**

Building No. 8,  
Tower C, 8th Floor  
DLF Cyber City,  
Gurugram – 122002  
Phone: 0124-4271-750

Email: ceo@sgrlimited.in

(ii) Audit Committee Chairman

Address: **Registered office:**

1st Floor, 216/C-12, Old No. C-12,  
Plot No. 13-B, Guru Nanak Pura,  
Laxmi Nagar, Delhi – 110092  
Phone: 011-4352-1832

**Corporate office:**

Building No. 8,  
Tower C, 8th Floor  
DLF Cyber City,  
Gurugram – 122002  
Phone: 0124-4271-750

**Email:** chairperson.ac@sgrlimited.in

The Managing Director shall periodically submit report to the Audit Committee on the number and the nature of the Complaints received, if any and the action taken thereon.

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

Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or Hindi.

Protected Disclosures shall be addressed to the Principal Officer. However, any Protected Disclosure against the Managing Director shall be reported directly to the Chairman of the Audit Committee.

The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Principal Officer shall detach the covering letter and discuss the Protected Disclosure with Members of the Audit Committee and if deemed fit, forward the Protected Disclosure to the Management of the Company for investigation.

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 allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

The complaint can also be lodged over e-mail to the Principal Officer.

The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. As a rule, anonymous complaints will not be entertained. The identity of the whistle blower will be protected and will be known only to the Principal Officer. Whistle Blower will be protected from any kind of discrimination, harassment, victimization or any other unfair employment practice.

All complaints under this Policy would be promptly investigated, and all information disclosed during the course of the investigation shall remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

The Principal Officer may, where he/she feels the complaint requires related expertise, involve "investigators" to pursue the investigation, after consultation with the Audit Committee.

Depending on the nature of the complaint, the alleged employee/subject, at the outset of formal investigations, may be informed of the allegations against him/her and have opportunities for input during the investigation. All employees and supervisors have a duty to cooperate in the investigation of reports of violations as mentioned hereinabove, or of discrimination, retaliation or harassment resulting from the reporting or investigation of such matters.

An employee shall be subject to disciplinary action, if the employee fails to cooperate in an investigation, or deliberately provides false information during an investigation. If, at the conclusion of its investigation, the Company determines that a violation of policy has occurred, the Company will take effective remedial action commensurate with the severity of the offense. This action may include disciplinary action against the accused party, which shall adhere to the applicable personnel or staff conduct and disciplinary procedures. Reasonable and necessary steps will also be taken to prevent any further violations of policy.

### **DISQUALIFICATION**

While this policy is intended to protect genuine whistle blowers from any unfair treatment as a result of their disclosure, misuse of this protection by making frivolous and bogus complaints with malafide intentions is strictly prohibited. A whistle blower who make numerous complaints all of which are subsequently found to be malafide may be disqualified to report further protected disclosures under this policy. Further, the Company holds a right to take any action against such whistle blower who takes such defamatory actions resulting in the loss of reputability of the Company. Also, in case of repeated frivolous complaints being filed by whistle blower, the Principal Officer/Audit Committee may take suitable action, as it deems fit, against the whistle blower including reprimand.

### **PROTECTION TO WHISTLE BLOWER**

If one 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 or harassment in any manner. Company's employee

will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, 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 Disclosure, as a result of reporting under this Policy. The protection is available provided that:

- a. The communication/ disclosure is made in good faith
- b. He/She reasonably believes that information, and any allegations contained in it, are substantially true;  
and
- c. He/She is not acting for personal gain.

Accordingly, the Company strictly prohibits discrimination, retaliation or harassment of any kind against any employee who, based on the employee's reasonable belief that such conduct or practices have occurred or are occurring, reports that information. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline up to and including termination of employment.

Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals. However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

#### **RETENTION OF DOCUMENTS**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Human Resources department of the Company for a minimum period of two years.

#### **Amendment / Modifications / Review**

- There shall be an annual review of the Policy by the Board of Directors of the Company.
- The Company with the approval of the Board of Directors, can at any time modify or amend, either the whole or any part of this Policy.
- Operational changes to the policy can be done with approval of the MD & CEO.
- Statutory changes will be read mutatis mutandis in the policy document even if not Amended.
- In case any clause or reference in the policy document is contrary to or in violation of statutory or regulatory clauses, the provisions under such law, legislation, rules, regulation or enactment shall prevail over this Policy.