

Vigil Mechanism and Whistle Blower Policy



SANSERA ENGINEERING LIMITED

Contents

1 INTRODUCTION3

2 DEFINITIONS.....3

3 OBJECTIVE.....4

4 APPLICABILITY4

5 SCOPE OF THE POLICY4

6 DISQUALIFICATIONS5

7 PROCEDURE FOR LODGING COMPLAINT/CONCERN5

8 INVESTIGATION PROCESS.....6

9 INVESTIGATORS.....7

10 ASSURANCES UNDER THE POLICY (TO WHISTLE BLOWER).....8

11 ASSIGNMENT OF INVESTIGATION TO LEGAL AUTHORITIES.....8

12 DECISION.....8

13 AMENDMENT9

1 INTRODUCTION

- a) Section 177(9) of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014, each as amended ("**Companies Act**") mandates every listed company to constitute a vigil mechanism for directors and employees to report genuine concerns.
- b) Further Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**LODR**") mandates every listed company to formulate a vigil mechanism for directors and employees to report genuine concerns.
- c) Accordingly, this Whistle Blower Policy (the "**Policy**") has been formulated with a view to provide a mechanism for directors and employees of the Company to report their genuine concerns or grievances as described later in the Policy.
- d) The board of directors of the Company ("**Board**") has adopted this Policy on 18th March 2021.

2 DEFINITIONS

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

- a. "**Audit Committee**" shall mean committee of the Board constituted under the provisions of the Companies Act and the LODR
- b. "**Employee**" means every employee of the Company (whether working in India or Overseas) and whether in full time or part time employment with the Company or its subsidiary whether in permanent, probationary, trainee, retainer, temporary or contractual appointment including the directors of the Company.
- c. "**Compliance Officer**" shall mean the officer of the Company appointed by the Board of Directors in accordance with applicable law.
- d. "**Director**" means every director on the Board of the Company, past or present
- e. "Disciplinary Committee" shall mean, unless otherwise constituted by the Managing Director/CEO of the Company in relation to any particular case, a permanent Committee constituted by the Head of Human Resources, the Head of Legal, Compliance Officer and the Head of Investigation of the Company in whatsoever name and designation they hold or be called, shall form and act as the Disciplinary Committee of the Company. The Managing Director/CEO of the Company may at his discretion re-constitute the permanent committee at any point of time with any Officer(s) of the Company as deemed appropriate.
- f. "Protected Disclosure" means any communication made by a Whistleblower to the Company in good faith with respect to any information that may evidence unethical/ unacceptable or improper practices. "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.
- g. "Whistleblower" means any Employee or Director making a Protected Disclosure in accordance with this Policy
- h. "Ombudsperson" means a person appointed by the Company to investigate concerns concerns/complaints by Whistleblowers as per the Policy.

3 OBJECTIVE

- a) To enable Employees and Directors to voice concerns in a responsible and effective manner, without fear of reprisal or victimization, discrimination or disadvantage where there is reason to believe that the information shows serious malpractice, impropriety, abuse or wrongdoing within the Company.
- b) To enable disclosure of information, independently of line management for employees (although in relatively minor instances the immediate superior would be the appropriate person to be informed).
- c) To build and strengthen a culture of transparency and trust in the Company.

4 APPLICABILITY

This Policy is applicable to all Employees and Directors.

5 SCOPE OF THE POLICY

This Policy should be read in conjunction with the Code of Conduct for Directors and Senior Management. Whistleblowers can make Protected Disclosures regarding:

- a. Malpractice,
- b. Impropriety,
- c. Abuse or wrongdoing by an individual or department.

This Policy will not cover issues relating to employment and general administration related complaints/concerns.

The Whistleblower's role is that of a reporting party with reliable information. They are not required and expected to act as investigators or to be involved in deciding what course of remedial action is warranted in a given case. Although, the Whistleblower is not expected to provide complete and effective evidence in proof of the allegation, he/she needs to demonstrate to the Ombudsperson that there are sufficient and reasonably valid grounds for the concern.

Following is an indicative list of events in relation to which a Whistleblowers may make a complaint:

- a. Any unlawful act, whether criminal (e.g. theft) or a breach of the civil law (e.g. slander or libel)
- b. Misrepresentation of facts or falsification of records / reports of the Company.
- c. Misuse of Company assets / funds; (e.g. forged bills, personal use of company assets etc.)
- d. Pilferage of confidential information to advance personal interests.

- e. Unfair discrimination, coercion, harassment in the course of employment or provision of services.
- f. Breach of any policy or manual or code adopted across the company.
- g. Health and safety risks, including risks to the public as well as other employees (e.g. faulty electrical equipment).
- h. Fraud and corruption (e.g. to solicit or receive any gift/reward as a bribe).
- i. Any instance of failure to comply with legal or statutory obligation either for and on behalf of the Company or in any personal capacity in the course of discharging duties of the Company.
- j. Any instance of any kind of financial malpractice.
- k. Abuse of power (e.g. sully/harassment).
- l. Any other unethical or improper conduct.

The Ombudsperson shall appropriately deal with protected Disclosure, as the case may be.

6 DISQUALIFICATIONS

- a) While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment, discrimination, reprisal, harassment or vengeance, any abuse of this protection will warrant disciplinary action.
- b) Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.
- c) Whistleblowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

7 PROCEDURE FOR LODGING COMPLAINT/CONCERN

- a) All Protected Disclosures should be made to the Ombudsperson for investigation in writing through a letter or email.
- b) Contact details of the Ombudsperson:
 - Name: F.R Singhvi
 - Address: Sansera Engineering Ltd, 143/A, Jigani Link Road, Bengaluru 560 105
 - Email: fr@sansera.in(Use of e-mail as mode of contact with the Ombudsperson should be preferred for prompt action)

- c) All complaints from the Ombudsperson and Employees at the levels of Vice President and above, should preferably be addressed to the Chairperson of the Audit Committee, in writing.
- d) If a Protected Disclosure is received by any executive of the Company other than Chairperson of the Audit Committee, the same should be forwarded to the Chairperson of the Audit Committee for further action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- e) 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.

8 INVESTIGATION PROCESS

- a) Within a reasonable time of receipt of the concern by the Ombudsperson, an acknowledgement shall be sent to the Whistleblowers (where a return address or email is available). The acknowledgement shall confirm receipt of the concern and inform the Whistleblowers that the concern would be inquired into and appropriately addressed and reported to the Audit Committee.
- b) All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ombudsperson. If the Ombudsperson has a conflict of interest in any given case, then he/she will be recused, and the Chairperson of the Audit Committee will deal with the matter on hand
- c) All protected disclosures received will be documented.
- d) If the complaint/concern indicates that it is baseless, or it is not a matter to be pursued under this policy, the Ombudsperson may dismiss the complaint at this stage itself and the decision will be documented.
- e) In case the concern does not fall within the ambit of this Policy, the Whistleblower shall be informed that the concern is being forwarded to the appropriate department/authority for further action, as deemed necessary.
- f) The Compliance Cell created specifically for the purpose of this policy) under the supervision of the Ombudsperson shall undertake the initial inquiry and place the report to the Ombudsperson.
- g) The identity of all parties involved in the complaint made by the Whistleblowers will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- h) all parties involved in the complaint made by the Whistleblowers will normally be informed of the allegations at the outset of a formal investigation and have opportunities for being heard during the investigation.

- i) all parties involved in the complaint made by the Whistleblowers 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 parties involved in the complaint made by the Whistleblowers.
- j) Unless there are compelling reasons not to do so, parties involved in the complaint made by the Whistleblowers will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a party involved in the complaint made by the Whistleblowers shall be considered as maintainable unless there is good evidence in support of the allegation.
- k) parties involved in the complaint made by the Whistleblowers have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Company.
- l) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure from the Whistleblower. Concerns requiring additional time for inquiry shall be intimated to the Audit Committee at the time of reporting the status of inquiry and actions on a quarterly basis. Once the inquiry is completed, the Ombudsperson shall communicate the actions to be taken, if any, by respective groups within the Company and track closure
- m) all parties involved in the complaint made by the Whistleblowers, Investigators, witnesses and everyone involved in the investigation process shall maintain complete confidentiality of the case, during and after the completion of the same

A Whistle Blower shall make a Protected Disclosure directly to the Chairman of the Audit Committee when the Ombudsperson him/herself is the object of complaint or when the Whistleblower is not satisfied with the progress and/or the outcome of his complaint.

The concern/complaint can be reported to the Chairperson of the Audit Committee by mailing to: revathy@gmail.com

9 INVESTIGATORS

- a) Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- b) Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c) Investigations will be launched only after a preliminary review which establishes that:

- i. The alleged act constitutes an improper or unethical activity or conduct, and
- ii. Either the allegation is supported by information specific enough to be investigated or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

10 ASSURANCES UNDER THE POLICY (TO WHISTLE BLOWER)

- a) Whistle Blower, barring such instances where such Protected Disclosure is required strictly for the purpose of law or to facilitate the investigation process.
- b) The Company will not tolerate any harassment or victimization (including informal pressures) against the Whistleblower and will take appropriate action to protect the Whistleblowers when they make the Protected Disclosure in good faith.
- c) The Company will provide adequate and timely support and protection to the Whistleblowers in the event of facing any civil or criminal action in consequence to the Protected Disclosure made to the Company.
- d) A Whistleblower may report any violation of the above clause to the Ombudsperson or the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- e) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

11 ASSIGNMENT OF INVESTIGATION TO LEGAL AUTHORITIES

- a) If the management finds that the Protected Disclosure is true and grave in nature and that is totally against the interest of the Company and /or are detrimental to the business of the Company, then the management may assign the investigation to legal authorities by following due procedure.
- b) In such an event proper care of the Whistleblower will be taken regarding his/her personal safety.
- c) Any participation of the Whistleblower in such investigation as evidence will be treated as official work.

12 DECISION

If an investigation leads the Ombudsperson to conclude that an improper or unethical act has been committed, he shall recommend to the management of the Company to take such disciplinary or corrective action as he deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject 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.

13 AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever and in accordance with the SEBI Listing Regulations and applicable law. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified appropriately.

14. RECORD KEEPING

Records pertaining to the complaint shall be kept confidential and maintained by the Compliance Officer. Records shall be maintained as per the extant record retention Policy of the Company.

15. DISSEMINATION OF INFORMATION ABOUT THE POLICY

Ombudsperson shall lay down an appropriate mechanism to communicate this Policy periodically to the Employees and the Directors and for its suitable display on the intranet of the Company. For better understanding of this Policy by Employees, frequently asked questions and their responses would also be suitably displayed. Queries/clarifications under this Policy would be handled by the Ombudsperson or any other person nominated by him for the purpose.

This Policy will be disseminated on the Company's website, in accordance with the SEBI Listing Regulations.