

**VIGIL MECHANISM / WHISTLE BLOWER POLICY OF  
SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED**

**1. PREMBLE**

Section 177(9) of the Companies Act, 2013 read with rule 7 of Companies (Meeting of Board and its powers) Rules, 2014 and Clause 49 of Listing Agreement 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 had adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern their actions. Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a non-mandatory requirement for all listed companies to establish a mechanism called ‘Whistle Blower Policy’ for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company’s code of conduct. Under these circumstances, the Company, being a Listed Company proposes to establish a Whistle Blower Policy/ Vigil Mechanism and to formulate a policy for the same.

**2. DEFINITIONS**

- a. **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Listing Agreement and Companies Act, 2013.
- b. **“Board”** means the Board of Directors of the Company.
- c. **“Code”** means Code of Conduct for Directors and Senior Management Executives adopted by **Swasti Vinayaka Art And Heritage Corporation Limited**.
- d. **“Employee”** means all the present employees and whole time Directors of the Company.
- e. **“Protected Disclosure”** means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title **“SCOPE OF THE POLICY”** with respect to the Company. It 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 for proper assessment of the nature and extent of the concern.
- f. **“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.
- g. **“Vigilance and Ethics Officer”** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- h. **“Whistle Blower”** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

**3. POLICY OBJECTIVES**

- 3.1 The Company is committed to develop a culture where it is safe or all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 3.2 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.

3.3 A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or 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/ Managing Director/ Chairman of the Audit Committee in exceptional cases.

3.4 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 about a personal situation.

#### **4. THE GUIDING PRINCIPLES**

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

4.2 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure are not victimized for doing so;

4.3 Treat victimization as a serious matter including initiating disciplinary action on such person/(s);

4.4 Ensure complete confidentiality.

4.5 Not attempt to conceal evidence of the Protected Disclosure;

4.6 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 Subject;

#### **5. SCOPE**

This policy is an extension of the SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED-Code of conduct for Board of Directors and Senior Management. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigator or finder of fact nor would they determine the appropriate corrective or remedial action that may be warranted in the given case. Whistle Blower should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than requested by the Audit Committee or the investigators. Protected Disclosures will be appropriately dealt with by the Audit Committee.

#### **6. DISQUALIFICATIONS**

a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, 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 Whistle Blower knowing it to be false or bogus or with a mala fide intention.

c. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted under Company's Code of Conduct.

## **7. ELIGIBILITY**

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

## **8. PROCEDURE:**

- a. All Protected Disclosure should be in writing and can be submitted by hand, delivery, courier or by post addressed to the Chairman of the Audit Committee of the Company.
- b. If protected disclosure is received by any executive of the Company other than chairman of Audit Committee, the same should be forwarded to the chairman of the Audit Committee.
- c. Protected disclosure should be preferably 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, Hindi or in regional Language of the place of the employment of the Whistle Blower.
- d. Protected disclosure should be factual and not speculative or in 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.
- e. The whistle Blower must disclose his/her identity in the covering letter forwarding such protected Disclosure. Anonymous disclosure will not be entertained by the Audit Committee as it would not be possible for it to interview Whistle Blowers.

## **9. INVESTIGATION**

- a. All Protected Disclosures reported under this policy will be thoroughly investigated by the Audit Committee of the Company in accordance with normal procedure.
- b. The identity of the subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- c. Subject will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- d. Subject(s) shall have a duty to co-operate with Audit Committee or any of the investigators during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- e. Subject has a right to consult with a person or persons of their choice, expert investigators and/or the Audit Committee and/or the Whistle Blower. This may involve representation including legal representation Subject shall free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

## **10. DECISION AND REPORTING**

If Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall recommend to the management of the Company to take disciplinary or corrective action as they deem 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.

**11.    **SECRECY / CONFIDENTIALITY****

The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:

- i. Maintain confidentiality of all matters under this Policy
- ii. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
  
- iii. Not to keep the papers unattended anywhere at any time.
- iv. Keep the electronic mails / files under password.

**12.    **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE****

The Whistle Blower shall have 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.

**13.    **COMMUNICATION****

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

**14.    **ADMINISTRATION AND REVIEW OF THE POLICY****

The Board of Directors shall be responsible for the administration, interpretation, application and review of this policy. The Board also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

**15.    **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. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

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