

**VIGIL MECHANISM / WHISTLE BLOWER POLICY OF MUNOTH FINANCIAL SERVICES LIMITED**

**1. BACKGROUND**

- 1.1 Munoth Financial Services Limited (hereinafter referred to as “the Company or MFSL”) believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The code of conduct established by the Company lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined.
- 1.2 Section 177 of the Companies Act, 2013 mandatorily requires inter-alia every listed company 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.
- 1.3 Under these circumstances, MFSL being a responsible Corporate Entity, the Board of Directors of the Company has approved this policy as the Vigil Mechanism & Whistle Blower Policy of the Company.

**2. DEFINITIONS**

- 2.1 “Alleged wrongful conduct” shall mean the actual or threatened or suspected violation of law, infringement of Company’s rules, misappropriation of funds, fraud, substantial and specific danger to public health and safety or abuse of authority.
- 2.2 “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company.
- 2.3 “Board” means the Board of Directors of the Company.
- 2.4 “Employee” means all the present employees and officers of the Company.
- 2.5 “Nodal Officer” means the Company Secretary of the Company or any other officer authorized by the Board of Directors of the Company, who is authorized to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal.
- 2.6 “Protected Disclosure” means a concern that may be raised by an employee or group of employees of the Company, through a written or oral Financial Services and made in good faith which discloses or demonstrates information about alleged wrongful act. However, the Protected Disclosures shall 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.

2.7 “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.

2.8 “Whistle Blower” is an employee or group of employees or director(s) who make the Protected Disclosure under this Policy and also referred in this policy as complainant.

### **3. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES**

3.1 Protected Disclosures shall be reported in writing by a Complainant as soon as possible after the Complainant becomes aware of the same so as to ensure a clear understanding of the issues raised.

3.2 Any complaint that may be made by the Complainant shall be either by disclosing his/her name, identity and contact details or anonymously without disclosing his/her identity.

3.3 The complaint shall be made by the Complainant either through email on designated email ID [cs@munothFinancial Services.com](mailto:cs@munothFinancial Services.com) or by writing letters to the registered office of the Company .

3.4 In case the Complainant desires to give written complaint or information, the same shall be sent in English language and shall be sent in a closed and secured envelope.

3.5 All Protected Disclosures should be addressed to the Nodal Officer of the Company only.

3.6 On receipt of the protected disclosure, the Nodal Officer shall make a record of the Protected Disclosure received and also ascertain from the Complainant whether the Complainant himself/herself made the protected disclosure. The Nodal Officer must also ensure that sufficient evidence whether documentary or otherwise has been provided by the Complainant before referring the matter to the Audit Committee of the Company for further appropriate investigation and necessary action.

3.7 The record shall include:

(a) Brief facts;

(b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;

Whether the same Protected Disclosure was raised previously on the same subject;

(d) Details of actions taken by the Nodal Officer for processing the complaint.

(e) Findings of the Audit Committee;

(f) The recommendations of the Audit Committee / other action(s).

- 3.8 The Audit Committee if it deems fit, may call for further information or particulars from the complainant.
- 3.9 At the request of the complainant, the complainant shall be given the opportunity to be present before the Audit Committee of the Company and present the complaint or any matter connected therewith.
- 3.10 The Audit Committee shall ensure that the identity of the Complainant is kept confidential and the Nodal Officer shall not disclose identity and information to anyone except under the instructions of the Audit Committee to the extent possible and permitted under law.

#### **4. INVESTIGATION**

- 4.1 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.
- 4.2 All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company for the purpose of investigation or seek assistance of any outside consultant of such field as may be deemed fit by the Audit Committee.
- 4.3 The Subjects shall have a duty to co-operate with the Audit Committee or any of the Officers or consultants appointed by it in this regard.
- 4.4 The Subjects shall have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the Subjects.
- 4.5 Unless there are compelling reasons not to do so, the Subjects will be given the opportunity to respond to material findings contained in the investigation report.
- 4.6 No allegation of wrong doing against the Subjects shall be considered as maintainable unless there is substantial and conclusive evidence in support of the allegation.
- 4.7 The investigation shall be completed within 90 days of the receipt of the protected disclosure. However the time period shall be subject to such extended period as the Audit Committee deems fit and proper in each of the case.
- 4.8 Under the instructions of the Audit Committee, the Nodal Officer or any other person may be required to obtain further information / documents etc. in respect of the investigation. Every employee of the Company shall be under an obligation to provide such information / documents as may be required by Nodal Officer or any authorized person of the Audit Committee. Failure to give / provide information / documents or giving false or misleading information / documents

shall attract such penal action as may be decided by the Company in consultation with the Audit Committee.

- 4.9 During the entire process of investigation and even thereafter, the Nodal Officer to ensure that the identity of the Complainant shall be kept confidential and will not be disclosed to anyone except the Audit Committee to the extent possible and permitted under law.

## **5. DECISION MAKING**

- 5.1 Upon completion of the investigation, the Audit Committee shall take appropriate action against the Subjects as per the Company's policy or by reporting the matter to appropriate legal authorities, if required.
- 5.2 A complainant who makes false allegations of unethical & improper practices or about wrongful conduct of the Subjects shall be subject to appropriate disciplinary action in accordance with the Rules of the Company or the Audit Committee shall be free to report the matter to appropriate legal authorities, if necessary.

## **6. CONFIDENTIALITY**

- 6.1 The complainant, Nodal officer, Members of Audit committee, the Subjects and everyone involved in the process shall:
- 6.1.1 Maintain strict confidentiality of all matters under this Policy.
- 6.1.2 Discuss only to the extent required with those persons as may be necessary under this policy for completing the process of investigations.
- 6.1.3 Not keep the papers unattended anywhere at any time.
- 6.1.4 Keep the electronic mails / files under security protected through passwords etc.

## **7. PROTECTION**

- 7.1 No unfair treatment will be meted out to the Whistle Blower by virtue of his/her having reported a Protected Disclosure under this policy.
- 7.2 The Complainant shall be protected by the Nodal Officer and/or the Chairman of the Audit Committee against any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower(s).
- 7.3 Complete protection will, therefore, be given to Whistle Blowers 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 Whistle Blower's right to continue to perform his/her duties / functions including making further Protected Disclosure.

- 7.4 The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. The Company shall always endeavor to encourage its employees to come forward in case of any fraud/misappropriation or any unethical activities that may be observed by them. If the Whistle Blower is required to give evidence in criminal trial or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure etc. and shall provide adequate protection and support as may be necessary in that regard.
- 7.5 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management of the Company.
- 7.6 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his/her details public or disclosed his/her identity to any other office or authority. In the event of the identity of the complainant being disclosed, the audit committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies.
- 7.7 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 7.8 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action. This policy does not protect an employee from an adverse action taken independent of his/her disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

## **8. 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 shall give notice thereof to the employees and other stakeholders after which the amended policy shall be effective.