



VIGIL MECHANISM

SFO TECHNOLOGIES PRIVATE LIMITED

Version 3 dated 09 July 2021

(Subject to Section 177 (9) (10) of the Companies Act, 2013)

VIGIL MECHANISM OF SFO TECHNOLOGIES PRIVATE LIMITED

SFO Technologies Private Limited (hereafter referred to as "Company" in this document and shall include Subsidiaries, Sub-Subsidiaries and Affiliate Companies) believes in promoting a fair, transparent, ethical and professional work environment. While the company code of conduct defines the expectations from employees in terms of their integrity and professional conduct, the vigil mechanism defines the mechanism for reporting deviations from the standards defined in the code. The Vigil mechanism is implemented not only as a safeguard to unethical practices. This mechanism is intended to provide mechanism for reporting genuine concerns or grievance and ensure that deviations from the company's Code of Conduct and Values are dealt with in a fair and unbiased manner as provided in Section 177 (9) and (10) of the Companies Act, 2013 and the Companies Rules, 2014.

I. DEFINITIONS

Definitions of some of the key terms used in this mechanism are given below:

- a) Protected disclosure: Any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the company.
- b) Whistleblower: An individual who makes a protected disclosure under this mechanism. This could be an Employee, Director, Vendor, Partner and Consultant, including Auditors and Advocates of company.
- c) Board of Directors: As defined in Companies Act, 2013
- d) Nominated Director: Director nominated by Board of Directors subject to Section 177 (9) of the Companies Act, 2013 and Chapter XII, The

Companies (Meetings of Board and its Powers) Rules, 2014, Rule 7 (3) for the purpose of addressing the complaints / protected disclosures made under Vigil Mechanism.

However, notwithstanding anything hereunder the Nominated Director can be changed if the Whistle Blown is against such Nominated Director.

e) **Code of Conduct:** A set of rule outlining the responsibilities of or proper practices applicable to all executives and employees of the Company.

f) **Vigilance Officer:** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Disciplinary Committee for its disposal and informing the whistleblower the result thereof. Vigilance Officer for the Purpose of this Mechanism shall be a Third Party not being a related party as defined under the provisions of Section 2 (76) of the Companies Act, 2013.

g) **Investigator:** Third Party assigned with conducting investigation to ascertain the credibility of such whistleblower complaints. For the purpose this Mechanism Investigator shall be the Vigilance Officer as defined under **Section 1 (f) of this Mechanism.**

h) **Subject:** means a person against whom, or in relation to whom a Protected Disclosure is made.

i) **Disciplinary committee:** The Committee of Directors and the Vigilance Officer of the Company, to take disciplinary or corrective action against the Subject as per the company's disciplinary procedures.

II. GUIDING PRINCIPLES OF THE VIGIL MECHANISM

To ensure effective implementation of vigil mechanism, the company shall:

- a) Ensure protection of the whistleblower against victimization for the disclosures made by him/her.
- b) Ensure complete confidentiality of the whistleblower identity and the information provided by him/her.
- c) Ensure that the protected disclosure is acted upon and no evidence is concealed or destroyed.
- d) Ensure that the investigation is conducted honestly, neutrally and in an unbiased manner.
- e) Ensure whistleblower would not get involved in conducting any investigative activities other than as instructed or requested by investigator.
- f) Ensure the subject or other involved persons in relation with the protected disclosure be given a fair and without any presumption of guilt, opportunity to be heard.
- g) Ensure disciplinary actions are taken against anyone who conceals or destroys evidences related to protected disclosures made under this mechanism.
- h) Ensure that suitable action be taken against the person (where identity is disclosed by the whistle blower) making frivolous protected disclosures with an intention to wrongly defame and tarnish the image of subject as well as to settle his/her personal grudge.

III. PROTECTION FOR WHISTLEBLOWER

- a) The company will make no attempt to discover the identity of an anonymous whistleblower. If the whistleblower's identity becomes known during the course of the investigation, company will ensure that the identity of the whistleblower will be kept anonymous and confidential to the extent possible, unless required by law or in legal proceedings.
- b) A whistleblower reporting issues related to Discrimination or Harassment (eg. sexual harassment, child labour, discrimination, violation of human rights) would necessarily need to disclose their identity to the Vigilance Officer to enable effective investigation.
- c) Any other employee serving as witness or assisting in the said investigation would also be protected to the same extent as the whistleblower.
- d) The Vigilance Officer would safeguard the whistleblower from any adverse action. This includes discrimination, victimization, retaliation, demotion or adoption of any unfair employment practices.
- e) Protection under this mechanism would not mean protection from disciplinary action arising out of false allegations made by a whistleblower.
- f) A whistleblower may not be granted protection under this mechanism if he/she is subject of a separate complaint or allegations related to any misconduct.

IV. COVERAGE OF THE VIGIL MECHANISM

All employees, directors, vendors, Vendor, Partner and consultants, including auditors and advocates who are associated with company can raise concerns regarding malpractices and events which may negatively impact the company.

- a) Accounting, Auditing and Internal Financial Matters
- b) Conflict of Interest
- c) Disclosure of Confidential Information
- d) Discrimination or Harassment
- e) Embezzlement
- f) Falsification of Contracts, Reports or Records
- g) Gifts and Entertainment
- h) Improper Supplier or Contractor Activity
- i) Theft
- j) Time Abuse
- k) Violation of Policy
- l) Other

V. REPORTING MECHANISM

The whistleblowers are expected to speak up and bring forward the concerns or complaints about issues listed under Section IV Coverage of the vigil mechanism.

To ensure this the Company has established an email separated from NeST Group Servers to report a complaint, and to be maintained individually by the Vigilance Officer. The whistleblower needs to send an email to: vo.sfotpl@gmail.com and follow below mentioned steps:

a) Enter the name of the organization for which whistleblower is submitting a report (SFO Technologies Private Limited/Subsidiaries/ Sub-Subsidiaries/Affiliate Companies).

b) Mention the Violation Category that best describes the issue being reported.

c) Reference Number shall be allotted to the Whistle Blower in the following Format Ref No. ****/dd/MM/YYYY.

d) Whistle Blowers are requested to mention reference no. on all future follow-up mails.

Complaints related will be accessible only by the vigilance officer of SFO Technologies Private Limited.

VI. INVESTIGATION

The investigation would be carried out to determine the authenticity of the allegations and through fact- finding process.

a) If initial enquiries by the Vigilance Officer indicate that the concern has no basis, or it is not a matter to be investigation under this Policy, it may be dismissed at this stage with the approval of Nominated Director and the decision will be documented.

b) Where initial enquiries indicate that further investigation is necessary, this will be carried through either by The Vigilance Officer. The investigation would be conducted in a fair manner, as a neutral fact- finding process and without presumption of guilt. A written report of the findings will be made.

c) The Investigation shall consist of the Vigilance Officer and subject to the sole discretion of the Vigilance Officer, also include such other officer/officer(s) of the Company or other third parties to lend in expert advice on

the investigation. The investigation team shall not consist of any member with possible involvement in the said allegation or from the same Department (as per company definition) from which the subject and aggrieved belongs.

d) During the course of the investigation:

i. Investigation team will be given authority to take decisions related to the investigation.

ii. Any required information related to the scope of the allegation would be made available to the investigators.

e) The findings of the investigation should be submitted to the Nominated director.

f) Confirmed cases will be submitted to the Disciplinary Committee by the investigator with –its report and findings along with required supporting documents, for confirmation of disciplinary actions

VII. ROLE OF INVESTIGATOR

a) A structured approach should be followed to ascertain the credibility of the charge.

b) Ensure the confidentiality and secrecy of the issue reported and subject is maintained.

c) Provide timely update to the nominated director on on-going investigations and progress of the investigation.

d) Ensure investigation is carried out in an independent and unbiased manner, without any presumption of guilt.

e) Document the entire approach of the investigation.

f) Investigation Report including the approach of investigation be recorded and maintained.

g) Submit investigation report of all confirmed cases to the disciplinary committee.

h) Under no circumstances, while or during the process of investigation the identity of the Whistleblower be known to any person other than the Vigilance Officer.

VIII. MAINTAINING SECRECY AND CONFIDENTIALITY

Company expects individuals involved in the review or investigation to maintain complete confidentiality. Disciplinary action may be initiated against anyone found not complying with the below:

a. Maintain complete confidentiality and secrecy of the matter.

b. The matter should not be discussed in social gatherings or with individuals who are not involved in the review or investigation of the matter.

c. The matter should only be discussed only to the extent or with the persons required for the purpose of completing the investigation.

d. Ensure confidentiality of documents reviewed during the investigation should be maintained.

e. Ensure secrecy of the whistleblower, subject, protected disclosure, investigation team and witnesses assisting in the investigation should be maintained.

IX. DISQUALIFICATIONS

a) Issues other than those listed under Section IV "Coverage of the vigil mechanism".

b) The complainant is not able to provide specific information that covers at least some of the following points:

- Location of incident
- Timing of incident
- Personnel involved
- Specific evidence
- Frequency of issues

c) In case the complainant is unable to provide adequate information, the Vigilance officer reserves the right to not investigate the reported matter with the permission of nominated director.

X. MANAGEMENT DECISION

a) Disciplinary committee will take disciplinary or corrective action against the Subject as per the Company's disciplinary procedures and can also take legal action, if required.

b) The decision of Disciplinary committee should be considered as final and no challenge against the decision would be entertained, unless additional information becomes available.

c) In case of frivolous or false complaints, action may be taken against the complainant.

XI. RETENTION OF RECORDS

Records relevant to the investigation/complaint will be retained for 7 years from the date of closure of Investigation.

XII. RIGHT TO AMENDMENT

The company holds the right to amend or modify the policy. The updated Vigil mechanism would be shared on company website.

APPENDIX A

Vigilance Officer : Mr. M Ramachandran, FCA

Email ID : vo.sfotpl@gmail.com