

VIGIL MECHANISM POLICY



VIHAAN NETWORKS LIMITED

REGISTERED OFFICE:- A-60, NARAINA INDUSTRIAL AREA, PHASE-1, NEW DELHI-110028

CORPORATE OFFICE:- PLOT NO. 21-22, UDYOG VIHAR, PHASE-IV, GURUGRAM, HARYANA-122015

PREFACE

1. Pursuant to the provisions of sub-section (9) of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers), 2014, every Company, which are required to constitute an Audit Committee under section 177 of the Companies Act, 2013, shall establish a Whistle Blower policy / Vigil Mechanism for the Directors and Employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy. **VIHAAN NETWORKS LIMITED** ("the Company or VNL") has adopted the Code of Ethics & Business Conduct for its Directors, Senior Management, Executives and Employees ("the Code"), which prescribes the ideology that should preside over the actions of the Company and its Employees. Such policy shall also enable the Company to initiate action against those Directors or Employees by providing direct access of Whistle Blower to the Chairman of Audit Committee. Violation of the code, in whatsoever and to any extent, shall bring the disciplinary action against the violator.
2. VNL, with a view to ensure highest standards of ethical, moral and legal conduct of business operations and to enable its employees, who have concerns about suspected misconduct in the Company to come forward and express these concerns without fear of punishment or unfair treatment, proposes to establish a Whistle Blower Policy/ Vigil Mechanism and to formulate a policy for the same. The establishment and constitution of the Committee shall be complying of the provisions of the Companies Act, 2013.

POLICY OBJECTIVES

3. 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. 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 of Audit Committee for the purpose in exceptional cases.

SCOPE OF THE POLICY

4. This Policy intends to cover serious concerns that could have severe impact on the operations and performance of the business of the Company and malpractices and events which have taken place/ suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.
5. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

DEFINITIONS

- A. **“Audit Committee”** means a committee of the Board of Directors constituted under section 177 of the Companies Act, 2013 to oversee the vigil mechanism as prescribed under the provisions of Companies Act, 2013 and the Companies (Meeting of Board and its Powers) Rules, 2014.
- B. **“Chairman”** means the Chairman of the Audit Committee as constituted under section 177 of the Companies Act, 2013.
- C. **“Code”** mean Conduct for Directors, Senior Management Personnel and employees adopted by VNL.
- D. **“Company”** means **VIHAAN NETWORKS LIMITED**.
- E. **“Employee”** means every employee of the Company, including the Directors in the employment of the Company.
- F. **“Protected Disclosure”** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.
- G. **“Subject Person”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- H. **“Written Complaint”** means complaint filed either through written complaint filed in hard copy or through e-mail or any other electronic means which can be kept as record.

- I. **“Whistle Blower”** means an Employee making a Protected Disclosure under this Policy.
- J. **“Vigilance and Ethics Officer”** means an officer of the company nominated by Competent Authority to conduct detailed investigation under this policy and to receive protected disclosure from Whistle blowers, maintain record thereof, placing the same before the Audit Committee for its disposal and informing the Whistle blower the results thereof.

ELIGIBILITY

6. All Employees of the Company and stakeholders of the company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

7. All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.
8. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **“Protected disclosure under the Whistle Blower policy”**. Alternatively, the same can also be sent through email with the subject **“Protected disclosure under the Whistle Blower Policy”**. If the complaint is not closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Audit Committee will not issue any acknowledgement to the complainants and they are advised neither to write their name/address on the envelop nor enter into any further correspondence with the Audit Committee. The Audit Committee shall assure that in case any further clarification is required they will get in touch with the complainant.
9. The Company shall not entertain anonymous/ pseudonymous disclosures.
10. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Audit Committee shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
11. All Protected Disclosures should be addressed to the Audit Committee of the Company. The contact details of the Audit Committee are as under:-

**Name and Address – AUDIT COMMITTEE
VIHAAN NETWORKS LIMITED
PLOT NO. 21-22, UDYOG VIHAR, PHASE-IV,
GURUGRAM, HARYANA-122015**

12. On receipt of the protected disclosure the Audit Committee shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. The record will include:

- Brief facts;
- Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- Details of actions taken by Audit Committee for processing the complain
- Findings and Instructions of the Board of Director

13. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

INVESTIGATION

14. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Audit Committee or any outside agency being appointed by the Audit Committee who will investigate or watch over the investigations.

15. The decision to conduct an investigation is not an acceptance of the accusation by the Authority and is to be treated as a neutral fact-finding process because the outcome of the investigation may or may not support accusation.

16. The identity of a Subject Person will be kept confidential to the extent possible given the legitimate needs of the investigation.

17. Unless there are compelling reasons not to do so and good evidence in support of the allegation, no allegation of wrongdoing against a Subject Person shall be considered as maintainable.

18. Subject Person shall have a duty to co-operate with the Audit Committee or any other external agency duly appointed by Audit Committee during investigation to the extent that such co-operation sought does not merely require them to admit guilt.

19. Subject Person shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.

20. Subject Person shall 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 Subject Person.

21. Subject Person(s) have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject Person shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject Person and the Company.
22. The Audit Committee shall normally complete the investigation within 90 days of the receipt of protected disclosure.
23. In case of allegations against Subject Person are substantiated by the Vigilance/Ethics Officer in his report, the Audit Committee shall give an opportunity to Subject Person to explain his side.

DECISION AND REPORTING

24. If an investigation leads the Vigilance and Ethics Officer / Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as they may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject Person 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.
25. The Vigilance and Ethics Officer shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
26. In case the Subject Person is the Chairman of the Company, the Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
27. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
28. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject person to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

PROTECTION

29. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. 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 duties / functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

- 30.A Whistle Blower may report any violation of the above clause to the Audit Committee, which shall investigate into the same and recommend suitable action to the management.
- 31.The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
32. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

SECRECY / CONFIDENTIALITY

33. The Complainant, Vigilance and Ethics Officer, Audit Committee, the Subject Person and everybody involved in the process shall:
 - a) Maintain confidentiality of all matters under this Policy;
 - b) Discuss only to the extent or with those persons as required under this policy for completing the process of investigations;
 - c) Do not keep the papers unattended anywhere any time;
 - d) Keep the electronic mails / files under password.

DECISION

34. If an investigation leads the 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 such disciplinary or corrective action as they may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject Person 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.
35. If the report of investigation is not to the satisfaction of the complainant, the

complainant has the right to report the event to the appropriate legal or investigating agency. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject person to the Whistle Officer or Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

REPORTING

36. The Audit Committee shall submit a report to the Board of Directors whenever meeting of the Board Directors being held and the discussion of report shall form part of the Agenda in the Notice for meeting of the Board of Director.

ACCESS TO AUDIT COMMITTEE

37. The Whistle Blower shall have right to meet Chairman of Audit Committee directly in exceptional cases and the Chairman of Audit Committee is authorized to prescribe suitable directions in this regard.

COMMUNICATION

38. A whistle Blower policy cannot be effective unless it is properly communicated to employees. The policy should be published on the website of the company.

RETENTION OF DOCUMENTS

39. All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

ADMINISTRATION AND REVIEW OF THE POLICY

40. A report about the functioning of the Whistle Blower Mechanism may be placed before the Board of Directors, whenever required they have their meeting. A quarterly status report on the total number of compliant received, if any, during the period with summary of the findings of Chairman of Audit Committee and corrective steps taken should be send to the Chairman of the company or any other director authorised in this behalf if required.

AMENDMENT

41. 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.