



VL E-GOVERNANCE & IT SOLUTIONS LIMITED

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

1. INTRODUCTION

In terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (as amended from time to time), this Whistle Blower Policy has been formulated and approved by the Board of Directors of the Company at its meeting held on June 08, 2023. This policy shall be operational with immediate effect.

The Company believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The Company is committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and procedures to interpret and apply these laws and regulations in the organizational environment.

The organization's internal controls and operating procedures are intended to detect and prevent improper activities. In this regard, the Company believes in developing a culture where it is safe for all the Directors/Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. These help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The main objective of this Policy is to provide a platform to Directors and Employees to raise concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative

bearing on the organisation either financially or otherwise. Vigil Mechanism also enables the employees of the Company to report the instances of leak of unpublished price sensitive information.

2. DEFINITIONS:

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

- a) "**Associates**" means and includes vendors, suppliers and others with whom the Company has any financial or commercial dealings.
- b) "**Audit Committee**" means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- c) "**Code**" means the Code of Conduct for Directors and Senior Management adopted by the Company.
- d) "**Director**" means a Director appointed to the Board of Directors of the Company or Director of the group company.
- e) "**Employee**" means every Employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- f) "**Ethics Officer**": Ethics Officer means an Employee of the Company appointed by the Company to handle the complaint under this policy and ensure appropriate actions. The Ethics Officer will assist the Audit Committee in implementation of this Policy.
- g) "**Group Company**": means the Subsidiary as defined under Section 2(87) and Associate as defined under Section 2(6) of Companies Act, 2013.

- h) **"Investigators"**: mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee and includes the Auditors of the Company and the Auditor of the Group as the case may be and can include the external law enforcement agencies.
- i) **"Leak of UPSI"**: means Leak of UPSI' shall refer to such act / circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person, association, body, firm, agency, society, entity or to a group thereof, whether registered or otherwise before its official publication or announcement or formal circulation in public domain and which shall also include any purported attempt thereof. 'Unpublished Price Sensitive Information' (UPSI) shall cover information stated under Regulation 2(n) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.
- j) **"Protected Disclosure"**: means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- k) **"Subject"** means the person under investigation, includes the person which:
- Provide full cooperation to the investigation team
 - Be informed of the outcome of the investigation
 - Accept the decision of the Audit Committee
 - Maintain strict confidentiality
- l) **Un-published Price Sensitive Information ("UPSI")** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- i) Periodical financial results of the Company;
 - ii) Intended declaration of dividends (Interim and Final);
 - iii) Change in capital structure i.e. Issue of securities, buy - back of securities or any forfeiture of shares.
 - iv) Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement or Takeover, disposals, spin off or selling division of whole or substantially whole of the undertaking and expansion of business and such other transactions;
 - v) Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
 - vi) Changes in key managerial personnel;
 - vii) Such other information, as the Managing Director / Whole Time Director / Compliance Officer/ Chief Financial Officer may prescribe from time to time.
- m) **"Whistle blower"** means an Employee or Director making a Protected Disclosure under this Policy.

3. ELIGIBILITY: -

All Employees and Directors of the Company and the Group including contractors or Customer of the organisation, are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company and the Group.

Accordingly, this Whistleblower Policy ("the Policy") has been formulated with a view to provide a mechanism for Directors and Employees of the Company to approach the Chairman of the Audit Committee of the Company.

4. SCOPE:-

The Whistle blowing Policy is intended to cover serious concerns that could have a significant impact on the Company and the Group, such as actions (actual or suspected) that involve:

- i. Failure to comply with legal/ regulatory obligations.
- ii. Any miscarriage of justice or its likelihood of occurrence.
- iii. Any act which may lead to incorrect financial reporting and not in line with applicable company policy.
- iv. Situations which endanger the health or safety of Employees or the Public
- v. Financial irregularities, including fraud, or suspected fraud.
- vi. Criminal offence.
- vii. Manipulation of Group data/financial records.
- viii. Breach of trust/contract.
- ix. Negligence causing danger to public health and safety.
- x. Perforation of confidential/propriety information.
- xi. Deliberate violation of law/regulation.
- xii. Wastage/misappropriation of Group funds/assets.
- xiii. Violation of Code.
- xiv. Any other unethical, biased, favoured or imprudent event.
- xv. Any instance/act detrimental to the image/reputation of the group .
- xvi. Any other form of improper action or conduct.leak or suspected leak of unpublished price sensitive information.
- xvii. Deliberate concealment/attempts to conceal information relating to any of the above.

5. ROLE OF WHISTLE BLOWER:-

The Whistleblowers role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities Committee or the Investigators.

Following shall be the role of Whistle Blower:

- a) Report upon notice or being aware of, immediately to the Ethics Officer of any improper practice, unethical behaviour and/or actual or suspected fraud etc.
- b) Co-operate with investigating authorities, maintain full confidentiality.
- c) Seek full protection from retaliation/retribution. However, this does not extend to immunity for own involvement in the matters that are subject of investigation.
- d) In exceptional cases, where the whistle blower is not satisfied with the outcome of the investigation carried out by Investigator(s), he or she can make a direct appeal to the Chairman of the Audit Committee.

6. RECEIPT AND DISCLOSURE OF PROTECTED DISCLOSURE:

- I. All Protected Disclosures or complaints should be reported by the Whistleblowers as soon as possible after the matter comes to light.

Undue delay could make it difficult or impossible to investigate.

- II. Protected Disclosures should 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 the regional language of the place of employment of the Whistleblower.
- III. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistleblower. As the case may be, the Ethics Officer or the Chairman of the Audit Committee, as the

case may be shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.

- IV. 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.
- V. The Protected Disclosure to be submitted by Whistleblower shall cover the following aspects to the extent possible:
 - a. Nature of the instance being reported and whether it in line with Section 4 of the Policy.
 - b. Nature of the actual deviation/violation/allegations.
 - c. When and where did the instance occur and how often.
 - d. How was the violation conducted (the manner/or act)
 - e. Who are the persons involved and did they act alone or with others
 - f. is there any evidence to support the instance or is it a mere suspicion
 - g. Any supporting documents available to authenticate the allegations?
 - h. Details of any witnesses or those who can corroborate the allegations.

7. HOW TO REPORT

The whistle blower can report any issues either of the below members:

The Contact details of the Company Secretary and Compliance Officer are as under:

Mr. Nilesh Champalal Wadode

Vakrangee Corporate house, Plot No. 93,
MIDC, Marol, Andheri East, Mumbai
Maharashtra-400093
Email: investor@vlegovernance.in

The Contact details of the Chairman of the Audit Committee are as under:

Mr. Anoop Kumar Agrawal,

Vakrangee Corporate house, Plot No. 93,
MIDC, Marol, Andheri East, Mumbai
Maharashtra-400093
Email: info@vlegovernance.in

8. EXCLUSION:

Anonymous Complaints: Complainants must provide their name and contact details with each complaint. Investigations of the complaints are not possible unless the source of information is identified especially since such source is critical for reporting back. Hence complaints received anonymously will not be investigated, however, that does not preclude the Chairman of the Audit Committee to initiate the investigation independently considering the seriousness of the issue raised and/or the extent of evidence provided.

Reporting of matters of personal nature, either personal grievances (for which there is a separate mechanism) or matters regarding other person(s), which are in no way connected to the ethical wellbeing of the Organization.

9. INVESTIGATION PROCEDURE:

- (i) All protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Officer / Chairman of the Audit

Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any Member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand.

- (ii) The Ethics Officer / Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- (iii) The decision to conduct an investigation taken by the Ethics Officer / Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- (iv) The identification of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- (v) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- (vi) Subjects shall have a duty to co-operate with the Ethics Officer / Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such cooperation will not compromise self-incrimination protections available under the applicable laws.
- (vii) Subjects have a right to consult with a person or persons of their choice, other than the Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- (viii) Subjects 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 Subjects.

- (ix) Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- (x) Subjects 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 Subject and the Company.
- (xi) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

10. PROTECTION TO WHISTLE BLOWER:

A genuine whistle blower is protected from any damage to his/her career, name or reputation.

- (i) Harassment or victimization of the whistle blower will not be tolerated and could constitute sufficient grounds for disciplinary action including dismissal of the Employee, causing such harassment.
- (ii) Every effort will be made to protect the identity of the Subject and the Whistle Blower to the extent possible given the legitimate needs of law and the investigation.
- (iii) Whistleblowers are encouraged to immediately report any acts of retribution that have happened to them, due to the fact that they made a disclosure.
- (iv) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- (v) While it will be ensured that genuine whistle blowers are accorded complete protection from any kind of unfair treatment as stated above, any abuse/misuse of this protection may warrant disciplinary action by the Ethics Officer or the Chairman of Audit Committee. In case of evidence coming up during investigation leading to any deliberate framing up exercise on the part of whistle blower, the dignity of victim Shall be restored alongside punishment to the misleading whistle blower.

10.1. NON-RETALIATION POLICY

Under no circumstances will we tolerate retaliation against anyone for making a report in good faith, even if no violation is found.

In support of this, Employees must understand and comply with the following:

- if you become aware of or suspect a possible violation of law, the Code of Ethics, or other Company policies, you must report it using one of the channels outlined in the policy.
- If you receive a report of a possible violation, do not conduct your own investigation. Report it using one of the channels outlined in the policy to ensure it is handled by an experienced Company investigator;
- Do not intimidate, harass, or take any retaliatory action against a person who makes a report of a potential violation or who cooperates with an investigation of any such report;
- if you suspect retaliation for making a report, or for providing information in an investigation, contact our ethics & compliance helpline or chief ethics & compliance officer immediately.

11. REPORTING:

The 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.

12. RETENTION OF DOCUMENTS:

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

13. PROCEDURE OF INQUIRY IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION (“UPSI”):

The SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (“PIT Amendment Regulations”) mandates every listed company to formulate a written policy and procedures for inquiry in case of leak of unpublished price sensitive information and initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.

In this regard, Board of Directors of the Company has laid down the below procedure of inquiry in case of leak of Unpublished Price Sensitive Information (“UPSI”) or suspected leak of unpublished price sensitive information (‘the policy’), for adoption which shall be effective from June 23, 2023:

- I. On suo-motu becoming aware or otherwise, of actual or suspected leak of Unpublished Price Sensitive Information of the Company by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person, Support Staff or any other known or un-known person, the below mentioned procedure be followed in order to enquire and/or otherwise investigate the matter:

a) Preliminary Enquiry

Preliminary enquiry is a fact-finding exercise which shall be conducted by the Chief Investor Relation Officer as defined under the policy for procedure of inquiry in case of leak of UPSI. The object of preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark any disciplinary action.

The Enquiry Committee, if required and in addition to Chief Investor Relation Officer may also appoint and / or authorize any person(s), as it may deem fit, to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI.

b) Report of Preliminary Enquiry to the Enquiry Committee:

The Chief Investor Relation Officer or Person(s) appointed/authorized to enquire the matter of actual or suspected leak of UPSI submit his/her report to the Enquiry Committee within 7 days from the date of his appointment on this behalf.

c) Disciplinary Action:

The Disciplinary Action(s) shall include, wage freeze, suspension, recovery, claw-back, termination etc., as may be decided by the Members of the Committee.

14. 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 the Employees and Directors in writing.

15. DECISION:

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