

# **SREI EQUIPMENT FINANCE LIMITED**

## **WHISTLE BLOWER POLICY**

### **1. PREAMBLE**

- 1.1. Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Srei Equipment Finance Limited (the Company) is covered by Section 177.
- 1.2. Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015'), inter alia, requires all listed entities to formulate a vigil mechanism for directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.3. In pursuance of the aforementioned provisions, this Vigil Mechanism and Whistle Blower Policy ('this Policy') has been formulated by the Company and approved by the Audit Committee of the Company.
- 1.4. The Company has adopted a Code of Conduct for Directors and Senior Executives ("the Code"), which lays down the principles and standards that should govern the conduct of the Company and its employees. Any actual or potential violation of the Code is a matter of serious concern for the Company. Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.5. Through this Policy, the Company seeks to provide a procedure to all the Directors and employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting.

### **2. POLICY OBJECTIVES**

2.1 The basic objectives of this Policy are:

- a) to provide a Vigil Mechanism and an opportunity for directors and employees to blow whistle against and to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- b) to provide an opportunity to the directors or employees and give them an avenue to raise concerns and to access in good faith the Audit Committee.
- c) to maintain the highest possible standards of ethical, moral and legal business conduct and the company's commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company.

d) to provide all necessary safeguards for protection of directors and employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personal action against those directors or employees as a result of the directors' or employees' good faith disclosure of alleged wrongful conduct to audit committee. Any director or employee who discloses and subsequently suffers an adverse personal action as a result is subject to the protection of this Policy.

2.2 The Company is committed to developing the culture where it is safe for all employees to raise concerns about any unacceptable practice and any event of misconduct.

2.3 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.

2.4 A Vigil (whistleblower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

2.5 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 or with a mala fide intent.

### **3. DEFINITIONS**

- a. **“Alleged wrongful conduct”** shall mean violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- b. **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance with the guidelines of SEBI Listing Regulations, 2015 and Companies Act, 2013.
- c. **“Board”** means the Board of Directors of the Company.
- d. **“Code”** means Code of Conduct (for Directors and Senior Executives) adopted by Srei Equipment Finance Limited.
- e. **“Employee”** means all the present employees and Directors of the Company (whether working in India or abroad).
- f. **“Protected Disclosure”** means a concern raised by an employee 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 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.

- g. **“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.
- h. **“Whistle Blower Committee”** means Committee comprising of Senior Executives of the Company and 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.
- i. **“Whistle Blower”** is a Director/employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.

#### **4. 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:

- Ensure that the whistleblower and/or the person processing the Protected Disclosure is not victimized for doing so;
- Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- Ensure complete confidentiality;
- Not attempt to conceal evidence of the Protected Disclosure;
- 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 OF POLICY**

This policy applies to all Directors and Employee of the Company, regardless of their location. Employees are required to familiarize themselves with this policy, and seek advice from the Head of Human Resources, if any questions arise. The Protected Disclosures include but not limited to the following actions:

- a. Manipulation of Company data / records stored physically or electronically
- b. A substantial and specific danger or Negligence causing substantial and specific danger to public health and safety
- c. An abuse of authority
- d. Leaking confidential or proprietary information
- e. Deliberate Violation of any law or regulations
- f. Gross wastage or misappropriation of company resources
- g. Activities violating policies including Code of Ethics and Conduct.
- h. Forgery or alteration of documents
- i. Corruption/Bribery

- j. Criminal Offence
- k. Misappropriation of funds and assets
- l. Financial irregularities, including fraud, or suspected fraud.

The above list is only illustrative and not exhaustive. The final decision as to whether a particular issue raised is a genuine concern or not shall be decided by the Whistle Blower Committee.

## **6. CONCERNS NOT COVERED UNDER THE POLICY**

- Career related or other personal grievances are excluded from the policy.
- Any matter already discussed or in the process of being addressed pursuant to disciplinary or other procedures of the Company cannot be addressed under the policy.
- Business and financial decisions taken by management cannot be questioned under the policy.

## **7. DISQUALIFICATIONS**

- 7.1 While it will be ensured that genuine whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- 7.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a whistleblower knowing it to be false or bogus or with a mala fide intention or without sufficient evidence to make the allegation.
- 7.3 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.

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

- 8.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same but not later than 30 (thirty) consecutive days after becoming aware of the same so as to ensure a clear understanding of the issues raised. In the Exceptional case depending upon the seriousness of the case, the Whistle Blower Committee or the Chairman of Audit Committee can accept a complaint even after 30 (thirty) days.
- 8.2 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”**.
- 8.3 Anonymous/Pseudonymous disclosure shall not be entertained by the Whistle Blower Committee.
- 8.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Whistle Blower Committee shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected

Disclosure.

- 8.5 All Protected Disclosures should be addressed to the Whistle Blower Committee of the Company.
- 8.6 Any Protected Disclosure against any member of the Whistle Blower Committee and the Protected Disclosure against any of the Directors of the Company should be addressed to the Chairman of the Audit Committee.
- 8.7 On receipt of the protected disclosure, the Whistle Blower 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.
- 8.8 If initial enquiries by the Whistle Blower Committee indicate that the concern has no basis, or it is not a matter of investigation under this Policy, it may be dismissed at that stage and the decision will be documented.
- 8.9 The Whistle Blower Committee, if deems fit, may call for further information or particulars from the complainant.

## **9. INVESTIGATION**

- 9.1 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Whistle Blower Committee or by such other person as may be appointed by the Whistle Blower Committee. 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.
- 9.2 The Whistle Blower Committee shall:
- i) Make a detailed written record of the Protected Disclosure. The record will include:
    - a) Facts of the matter;
    - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
    - c) Whether any Protected Disclosure was raised previously against the same Subject;
    - d) The financial/other loss which has been incurred/would have been incurred by the Company;
    - e) Findings of the Whistle Blower Committee /investigation person;
    - f) The recommendations of the Whistle Blower Committee on disciplinary/other action/(s);
  - ii) The Whistle Blower Committee shall finalise and submit the report to the Chairman of the Audit Committee, within 30 (thirty) days of receipt of complaint;
- 9.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 9.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

- 9.5 Subject(s) have a right to consult with a person or persons of their choice, other than the members of the Whistle Blower Committee/Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 9.6 Subject(s) 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 subject(s).
- 9.7 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 9.8 Subject(s) have a right to be informed of the outcome of the investigations. 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.
- 9.9 Any member of the Whistle Blower Committee or the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern/interest forthwith and shall not deal with the matter.

## **10. DECISION AND REPORTING**

- 10.1 On submission of report, the Chairman of the Audit Committee shall discuss the matter with the Whistle Blower Committee. Thereafter, the Chairman of the Audit Committee shall either -
- i) In case the Protected Disclosure is proved, accept the findings of the Whistle Blower Committee and make recommendations to the management to take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;
  - ii) In case the Protected Disclosure is not proved, extinguish the matter; or
  - iii) Depending upon the seriousness of the matter, Chairman of the Audit Committee may refer the matter to the Board of Directors with proposed disciplinary action/counter measures. The Board of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its advise.
- 10.2 In case the Subject is the Managing Director / Chief Executive Officer (CEO) of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee, if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 10.3 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Whistle Blower Committee or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **11. PROTECTION**

- 11.1 No unfair treatment will be meted out to a whistleblower 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 whistleblower. Complete protection will, therefore, be given to whistleblower against any unfair practice.

11.2 The identity of the whistleblower shall be kept confidential to the extent possible and permitted under law.

11.3 Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the whistleblower.

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

The Whistle Blower shall have right to access the Chairman of the Audit Committee directly in exceptional cases as follows:

- i) by email to [shychatt@yahoo.co.in](mailto:shychatt@yahoo.co.in); or
- ii) by letter addressed to the Chairman of the Audit Committee, marked “Private and Confidential” and delivered to the address “Srei Equipment Finance Limited, ‘Vishwakarma’ 86C Topsia Road (South), Kolkata – 700 046”.

## **13. SECRECY/CONFIDENTIALITY**

The Whistle Blower, the Subject, the Whistle Blower Committee and every one involved in the process shall:

- a. Maintain complete and strict confidentiality/secretcy of the matter and proceedings;
- b. Not discuss the matter with any person other than one required for enquiry/investigation into the matter;
- c. Discuss only to the extent required for the purpose of completing the process and investigations;
- d. Not keep the papers unattended anywhere at any time;
- e. Keep the electronic mails/files under password;

If anyone is found not complying with the above, he/she shall be held liable for such disciplinary and punitive action as is considered fit.

## **14. REPORTING TO AUDIT COMMITTEE**

A quarterly report with number of complaints received under this Policy and their outcome shall be placed before the Audit Committee by the Head of Human Resource (HR).

## **15. NOTIFICATION**

A Whistle Blower Policy cannot be effective unless it is properly communicated to employees.

The Head of Human Resource (HR) will ensure notification and communication of the existence and contents of this policy to all the existing and new employees. Head HR will intimate the Audit Committee on the coverage periodically.

## **16. CONTACT DETAILS FOR REPORTING UNDER THIS POLICY**

➤ Chairman of the Audit Committee:

Chairman, Audit Committee  
Srei Equipment Finance Limited  
'Vishwakarma'  
86C Topsia Road (South)  
Kolkata – 700 046  
Email: shychatt@yahoo.co.in

➤ Head of Human Resource Department:

Head, Human Resource Department  
Srei Equipment Finance Limited  
Plot No. Y-10, Block EP  
Sector V, Salt Lake City, Kolkata – 700091  
Email: rajesh.jain1@srei.com

➤ Whistle Blower Committee: [whistleblower.sefl@srei.com](mailto:whistleblower.sefl@srei.com)

The contact details of the Members of Whistle Blower Committee are given in Annexure A annexed to this Policy. Any subsequent change in Annexure A to this Policy shall be deemed to be part & parcel of this Policy.

## **17. 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 period of 3 (three) years or such other period as specified by any other law in force, whichever is more.

## **18. REVIEW**

The Audit Committee has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

**Place: Kolkata**

**Date: 01.02.2019**

**This Policy has been reviewed by the Audit Committee and approved by the Board at their respective meetings held on 01.02.2019 and will become effective on and after 01.02.2019.**



## ANNEXURE A

The contact details of the Members of Whistle Blower Committee of Srei Equipment Finance Limited are as follows:

Devendra Kumar Vyas  
Chief Executive Officer  
Email: vyas@srei.com

Manoj Kumar Beriwala  
Chief Financial Officer  
Email: manoj\_beriwal@srei.com

Rajesh Jain  
Head – Human Resource  
Email: rajesh.jain1@srei.com

Debashish Ghosh  
Chief Internal Auditor  
Email: debshis.ghosh@srei.com