



## WHISTLE-BLOWER POLICY

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**FSN E-COMMERCE VENTURES LIMITED**

**Version 1.3**



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## Table of Contents

<b>1. INTRODUCTION .....</b>	<b>4</b>
<b>2. OBJECTIVE OF POLICY.....</b>	<b>4</b>
<b>3. DEFINITIONS.....</b>	<b>5</b>
<b>4. REPORTING IN GOOD FAITH.....</b>	<b>7</b>
<b>5. CONFIDENTIALITY AND PROTECTION MEASURES.....</b>	<b>10</b>
<b>6. GOVERNANCE .....</b>	<b>11</b>
<b>7. ENQUIRIES AND APPOINTMENT OF INVESTIGATORS .....</b>	<b>13</b>
<b>8. INVESTIGATION PROCEDURE.....</b>	<b>14</b>
<b>9. DECISION ON COMPLAINTS .....</b>	<b>16</b>
<b>10. REPORTING AND DISCLOSURES .....</b>	<b>17</b>
<b>11. OTHER GENERAL CLAUSE.....</b>	<b>18</b>
<b>12. ANNEXURE A.....</b>	<b>19</b>
<b>13. ANNEXURE B.....</b>	<b>20</b>



## 1. INTRODUCTION

- 1.1 FSN E-Commerce Ventures Limited ('the Company') is committed to highest standards of business ethics and integrity and ensuring compliance to applicable laws.
- 1.2 The Company believes in conduct of the affairs of its business in a fair and transparent manner by adopting highest standards of honesty, integrity, professionalism and ethical behavior. Towards this end, the Company has adopted and published the Code of Conduct ("the Code") which lays down the principles and standards that shall govern the actions of the Company and its Employees.
- 1.3 The Company is committed to developing a culture where it is safe for all persons covered under the Code and enables whom to raise concerns without any fear of retaliation regarding potential violation. **This Whistle-Blower Policy** supplements the Code and is issued pursuant to statutory provisions, viz. Section 177(9) & (10) of the Companies Act, 2013 ("Act") read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 22 read with Regulation 4(2)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and Regulation 9A(6) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (Collectively "Statutory WB provisions") which provide for the institution of Vigil Mechanism or Whistle Blower for reporting any genuine grievances relating to any violation relating to code of conduct of the directors or employee of the company and the requirement of listed companies to devise whistle blower mechanism enabling Stakeholders to freely communicate their concerns about illegal or unethical practices

## 2. OBJECTIVE OF THIS POLICY

- 2.1 Whistle-blower Policy ('the Policy') has been accordingly updated with a view of providing a **platform and mechanism for all Stakeholders to report actual or suspected concerns or violations of the Company's Code of Conduct** and all other violations specified in the Statutory Whistle Blower Provisions without any fear of reprisal.
- 2.2 This Policy provides an environment to protect the Whistle-blower and promote Protected Disclosures. Employees, Directors, and Other Stakeholders have an important role in pointing out, any actual or suspected violations of the Code, howsoever insignificant or perceived as such. This Policy protects Employees, Directors, and Other Stakeholders who raise a Whistle-blower Complaint under this Policy.



2.3 The Audit Committee shall review the functioning of the Whistle-blower mechanism and the Whistle-blower shall have direct access to the Chairperson of the Audit Committee in exceptional cases.

2.4 This Policy came into effect during November 2021 that is date of listing of Company's shares on the stock exchanges. Any changes to the Policy are listed in Section 11.1– Version History.

### 3. DEFINITIONS

The definitions of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

3.1 **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI LODR Regulations.

3.2 **"Board of Directors" or "Board"** means the Board of Directors of the Company or its subsidiaries.

3.3 **"Code"** means the Code of Conduct of the Company.

3.4 **"Company"** means FSN E-Commerce Ventures Limited and its subsidiaries.

3.5 **"Director"** means every Director of the Company or its subsidiaries, past or present.

3.6 **"Disciplinary Action"** means any action that can be taken on the completion of investigation proceedings or during investigation proceedings including but not limited to a warning, imposition of fine, suspension from the official duties or any such action as is deemed to be fit considering gravity of the matter.

3.7 **"Disclosure" or a "Complaint"** means a disclosure or a complaint received by the Company under this Policy.

3.8 **"Disclosure made in Good Faith"** means a disclosure of any violation of the Code of Conduct made with the belief that the disclosure is true and based on the facts.

3.9 **"Employee"** means employee of the Company or its subsidiary (whether working in India or abroad), including the expatriates stationed in India.



- 3.10 “Frivolous Complaint” or “Frivolous Disclosure”** means any Disclosure which is reported under this Policy, that is determined by the WB Committee as a Disclosure with no evidence or on hearsay basis or with malicious intentions against the Subject, arising out of false or bogus allegations.
- 3.11 “Investigator”** means a person authorized, appointed, consulted, or approached by the WB Committee or Chairperson of the Audit Committee or the Audit Committee or the Board for carrying out any investigation as required in terms of this Policy, and includes the Statutory and or Internal Auditors of the Company and the Police.
- 3.12 “Other Stakeholders”** means persons who have had or are in the process of having a transaction with the Company and / or its subsidiaries involving the supply of any product or service to the Company and includes partners, suppliers, agents, vendors, contractors, consultants, a potential vendor, any other person associated with the Company or acting on the Company’s behalf in connection with such a transaction or anyone entitled to report as per the regulation.
- 3.13 “Policy” or “this Policy”** means or this Whistle-blower Policy of the Company, issued pursuant to the Statutory whistle-blower provisions.
- 3.14 “Protected Disclosure”** means a Disclosure made in Good Faith that reveals or demonstrates evidence of unethical or improper activity or breach of the Code.
- 3.15 “Speak-up Helpline”** means the external independent agency or agencies appointed by the Company to receive and attend to the Disclosures in terms of this Policy WB Committee.
- 3.16 “Stakeholders”** means the following:
- a) Employees
  - b) Directors
  - c) Other Stakeholders
- 3.17 “Subject”** means the person or persons against or in relation to whom a Protected Disclosure has been made or evidence has been gathered during the course of an Investigation.
- 3.18 “Whistle-blower”** means stakeholder making a Protected Disclosure for violation or breach of Company’s Code of Conduct under this Whistle-blower Policy of the Company.
- 3.19 “WB Committee” or “Committee”** means the committee comprising individuals who are



nominated by the Company as members of the WB Committee.

#### 4. REPORTING IN GOOD FAITH

A Whistle-blower shall report any violation of the Code in such manner as may be prescribed in this Policy. A Whistle-blower must gather adequate facts/data to substantiate the Complaint and not complain merely on the hearsay or rumor. This would also mean that no action shall be taken against the Whistle-blower, when reported in Good Faith, even if no misconduct was confirmed on investigation subsequently.

##### 4.1 ELIGIBILITY – WHO CAN REPORT

All stakeholders of the Company are eligible to make a Disclosure under the Policy.

##### 4.2 MANNER OF PROTECTED DISCLOSURE – HOW TO REPORT

The Company has appointed a Speak-up Helpline, an independent third party, to receive Disclosures directly from the Whistle-blowers. A Protected Disclosure shall be reported via variety of reporting channels:

- a) Phone (Toll-free number that shall be dialed free of cost from anywhere in India),
- b) Email and Web Portal. The Web Portal also has a feature of Chatbot for ease
- c) Whistle-blower can directly approach the Chairperson of Audit Committee in exceptional cases.

Please refer to **Annexure A** for details of the reporting channels managed by Speak-up Helpline.

If a Disclosure is received by any Employee or Director of the Company other than Speak-up Helpline, the Disclosure shall be forwarded to the Speak-up Helpline for review and appropriate action under strict confidence by such Employee or Director.

##### 4.3 REPORTING WITH ANONYMITY

- a) Whistle-blowers must disclose their identity while making the Disclosure.
- b) However, the WB Committee has the right to investigate the matters disclosed anonymously, at its discretion, basis the merits of the matter.

For any reporting with disclosed identity, the Committee and the Investigators shall maintain



the confidentiality of identity as further detailed in this Policy

#### 4.4 TIMELINESS OF DISCLOSURE

Protected Disclosures shall be made to Speak-up Helpline, as soon as possible but not later than 30 days after becoming aware of the same.

#### 4.5 SCOPE OF VIOLATION – WHAT CAN BE REPORTED UNDER THIS POLICY

The Policy enables reporting of all actual or suspected violations of the Code of Conduct including any unethical, biased, favored, imprudent event or concern in the nature of violation to the Code of Conduct including but not limited to the following:

- a) Abuse of authority for personal gain or obtaining undue advantage or to prevent or deprive another of its rights or to the detriment of the Company
- b) Negligence causing substantial and specific danger to public health and safety
- c) Manipulation or unauthorized use or disposal of Company data or records
- d) Financial irregularities, including fraud, or suspected fraud such as:
  - Financial mis-statement/mis-representation
  - Pilferation of goods, property, confidential or proprietary information or Wastage or misappropriation of Company funds or assets
- e) Preference of one vendor or seller over the other with an intent of personal gain or rendering avoidable Financial or Non-Financial loss to the Company
- f) Criminal offence
- g) Deliberate violation of law or regulation
- h) Any other unethical, biased, favored, imprudent event in the nature of violation to the Code of Conduct.

#### 4.6 THE DISCLOSURE MUST INCLUDE FOLLOWING MANDATORY INFORMATION

- a) **Person(s) / Subject (s) involved in the violation:** Name, designation and location of the Subject(s)
- b) **Describe the nature of the violation:** Detailed description of the Complaint, including the incidents, if any
- c) **Time frame during which the violation occurred:** Location and time or duration
- d) **Documents that relate to the violation:** Specific evidence or source of evidence





Where the information provided by Whistle-blower is not sufficient for the purpose of investigation, the Speak-Up Helpline shall ask for additional information.

The Disclosures should be factual and shall contain as specific information, as much as possible, to allow a proper assessment of the nature and extent of the concern.

#### **4.7 DISQUALIFICATIONS OF DISCLOSURES**

The Committee reserves the right to disqualify any Disclosure under following criteria's

- a) Speculative or Frivolous Disclosure or Disclosure in-conclusion
- b) Complaint based on hearsay or rumor
- c) Incomplete Disclosure or Disclosure missing the mandatory information
- d) Disclosure not made in compliance or as per the scope of this Policy
- e) Any matter alleged to have been committed is significantly dated
- f) Matters which are pending before the Court of Law, State, National Human rights Commission, Tribunal or any other Judiciary or Sub Judiciary body

The decision of the Committee in this regard shall be final. Reasons must be recorded in writing by the Committee for such disqualification.

#### **4.8 COMPLAINTS THAT SHALL BE DEALT WITH BY OTHER MECHANISMS**

The following shall be dealt with, not under this Policy, but under other mechanisms set up by the Company:

- a) Customer complaint - matters having redressal under Customer grievance
- b) Complaints relating to Sexual Harassment / POSH - matters having redressal under ICC
- c) Complaints relating to UPSI - matters to relevant forum
- d) Personal grievances like increment, promotion, appraisal rating, etc. - matters under the HR purview
- e) General personnel or administration issues that are not the consequences of any violation of the Code of Conduct

The matters above issues shall be redirected to the relevant forums as listed above, reasons will be recorded for the same, as these complaints will be disqualified for any further coverage under this Policy.

#### **4.9 DUTIES AND RIGHTS OF STAKEHOLDERS**



Stakeholders shall familiarize themselves with the Policy and wherever required seek advice from the HR Department for better clarity and understanding or for determining whether a particular instance falls within the ambit of the Policy or otherwise.

## **5. CONFIDENTIALITY AND PROTECTION MEASURES**

### **5.1 CONFIDENTIALITY MEASURES**

- a) The identity of Whistle-blower shall be kept confidential during the process
- b) Protected Disclosures shall not be made public, by any person, including but not limited to the following, viz.
  - (i) the individual making a Protected Disclosure,
  - (ii) any of the individuals to whom the Protected Disclosure has been made,
  - (iii) any of the individuals who shall be investigating or deciding on the investigation; except with the prior written consent of the WB Committee
- c) Due confidentiality shall be maintained about the matter discussed during the assessment or investigation.
- d) The Policy does not release Employees and Directors from the requirement of confidentiality in the course of discharging their duties.

### **5.2 PROTECTION TO WHISTLE-BLOWERS:**

- a) This Policy shall be implemented without any kind of victimization, discrimination, harassment, or any other unfair practice being adopted against Whistle-blowers. No unfair treatment shall be meted out to a Whistle-blower by the virtue of his or her having reported a Protected Disclosure. Such unfair practice shall be treated as a serious matter and shall entail initiating Disciplinary Action against such person.
- b) Protection shall be given to the Whistle-blowers or the person processing any Disclosure against any unfair practice like retaliation, threat or intimidation of termination or 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 or functions including



making further Protected Disclosures.

- c) A Whistle-blower may report any violation of the above clause to the Committee, who shall recommend a suitable action to the Management of the Company based on suitable investigation.
- d) Any person assisting in any investigation shall be protected to the same extent as a Whistle-blower.
- e) If the Whistle-blower is required to give evidence in criminal or disciplinary proceedings, the Company shall arrange for the Whistle-blower to receive advice or any support about the procedure, etc.

### 5.3 ANY ABUSE OF THIS PROTECTION

Genuine Whistle-blowers shall always be accorded complete protection as set out in this Policy. However,

- a) Any Protected Disclosure found to be malafide or malicious or Whistle-blowers with repeated Protected Disclosures, that have been subsequently found to be frivolous, baseless, or reported not being Disclosure made in Good Faith, may be disqualified from reporting further Protected Disclosures under this Policy for a period of six months.
- b) Any abuse of this protection in any manner, including repeated Frivolous Complaints, shall also warrant necessary Disciplinary Action. Company to take Disciplinary Action if anyone destroys or conceals evidence of any Protected Disclosure. The Disciplinary Action should be based on the principles of natural justice and after giving the reasonable opportunity to be heard to the Subject.

For the purpose of clarification, Protection under this Policy shall not mean protection from Disciplinary Action in case of any abuse/misuse of this protection.

## 6. GOVERNANCE UNDER THIS POLICY

### 6.1 WHISTLE BLOWER COMMITTEE

- a) Senior representative from the following Functions shall be the members of the



Whistle Blower Committee:

- Finance or Risk or Internal Audit
  - Human Resources
  - Legal or Compliance or Corporate Secretarial
- b) The Company shall have the authority to change the members of the WB Committee from time to time.
- c) The WB Committee shall have the following powers:
- to receive Whistle-blower Complaints from Speak-up Helpline or otherwise
  - to conduct a preliminary review of the Complaint
  - to have the investigations conducted
  - to recommend Disciplinary Actions

## **6.2 DUTIES OF THE HR DEPARTMENT**

The HR Department is responsible for administration and compliance of this Policy.

## **6.3 RESPONSIBILITIES OF THE SPEAK-UP HELPLINE AGENCY**

- a) To ensure availability of reporting channels for Whistle-blowers to report Disclosures. Also, maintain a unique case reference number for each Complaint and any following Complaint received thereafter.
- b) To receive Disclosures correctly and completely. Where the information provided by Whistle-blower is not sufficient for the purpose of investigation, the Speak-Up Helpline shall ask for additional information.
- c) To combine the investigation or Complaints if this is about the same Subject or closely inter-related to each other.
- d) To communicate each Disclosure in the form of a written report to the Committee for further action.
- e) To redirect issues to the relevant forums. Reasons will be recorded for the same for



the matters having redressal under POSH, Customer Grievance, UPSI policy, or concerns under the purview of HR and admin.

- f) To report Disclosures directly to the Chairman of the Audit Committee, if any member of the WB Committee is alleged to be involved in a Disclosure.
- g) To communicate feedback to Whistle-blowers as received from the Committee.

## **7. LAUNCHING INITIAL ENQUIRIES AND APPOINTMENT OF INVESTIGATORS**

**7.1** Speak-up Helpline shall communicate each Disclosure in the form of a written report to the attention of the WB Committee for necessary action.

**7.2** Protected Disclosure shall be appropriately dealt with by the WB Committee.

**7.3** Investigation shall be launched only after a preliminary review by the WB Committee, which establishes that:

- a) The alleged act constitutes a violation of the Code of Conduct and
- b) The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of Management review.

**7.4** Where initial enquiries indicate that further investigation is necessary, this shall be carried through the WB Committee

**7.5** WB Committee may at his discretion, consider involving internal Functions or Employees and or outside Investigators for the purpose of investigation. The Investigation team may differ depending on the type of Complaint.

**7.6** A written report of the findings of preliminary review shall be taken on record by the WB Committee.

**7.7** If initial enquiries by WB Committee indicate that the concern has no basis, or it is not a matter to be investigated pursuant to this Policy, it may be dismissed at that stage and the decision shall be documented and communicated to the Whistle-blower whose identity is known.

**7.8** The investigation should be conducted in a fair manner, as a neutral fact-finding process, and



without presumption of guilt or wrongdoing.

**7.9** The decision to investigate shall be taken by WB Committee, is by itself not an accusation, and is to be treated as a neutral fact-finding process.

**7.10** The outcome of the investigation may or may not always support the conclusion of the Whistle-blower that an improper or unethical act was committed.

#### **7.11 CONFLICT MANAGEMENT**

- a) If any of WB Committee members have a conflict of interest in any Disclosure, they shall be required to recuse themselves so that the remainder of the Committee may address the Disclosure.
- b) If any member of the WB Committee is alleged to be involved in a Disclosure, the Speak-up Helpline shall report such Disclosures directly to the Chairman of the Audit Committee directly.

### **8. INVESTIGATION PROCEDURES**

#### **8.1 INVESTIGATORS** - Rights, authorities, and responsibilities of Investigators

- a) Investigators shall derive their authority and rights from the WB Committee or Chairperson of the Audit Committee when acting within the course and scope of their investigation.
- b) All Investigators shall be independent and unbiased.
- c) Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- d) Investigators are required to conduct fact-finding and analysis in a systematic manner.
- e) Technical and other resources may be drawn upon as necessary to augment the investigation.
- f) Investigators shall provide an opportunity of being heard to the persons involved, especially to the Subject.

**8.2 TIMELINES FOR INVESTIGATION** – Investigator shall endeavor to complete the Investigation within 90 days of receiving such request.



### **8.3 CONFIDENTIALITY DURING THE INVESTIGATION**

- a) The identity of the Subject and the Whistle-blower shall be kept confidential to the extent possible given the legitimate needs of law and the investigation.

### **8.4 DEALING WITH SUBJECT**

- a) The Subject shall have a duty to co-operate with the WB Committee or any of the Investigators during the investigation to the extent that such co-operation shall not compromise self-incrimination protections available to the Subject under the applicable laws.
- b) Subject has a responsibility not to interfere directly or indirectly with the investigation.
- c) Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, coerced, threatened or intimidated by the Subject or any other person.
- d) No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is evidence in support of the allegation.
- e) Unless there are compelling reasons not to do so, the Subject shall be given the opportunity to be heard and respond to material findings contained in an investigation report within a period of 15 days of the conclusion of investigation.

### **8.5 WHISTLE-BLOWER'S ROLE DURING INVESTIGATION PROCEDURES**

- a) The Whistle-blower's role is limited to that of a reporting party with reliable information and making a Protected Disclosure providing as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- b) A Whistle-blower is not required or expected to act as an Investigator or finder of facts, nor would he or she determine the appropriate corrective or remedial action that may be warranted in a given case. A Whistle-blower shall not engage in the investigations pertaining to the Protected Disclosure unless requested by the WB Committee.



- c) However, the WB Committee may summon such Whistle-blower for information, facts, and such related matters which It believes could assist the Committee in its investigation.
- d) Whistle-blowers making the disclosures may contact the Speak-up Helpline to seek feedback for their Protected Disclosure after 90 days via any of the reporting channels covered in Annexure A of the Policy.
- e) Keep the matter of Subject confidential and strictly refrain to disclose or discuss any matter related to the Complaint within or outside the organization.

## **8.6 RETENTION OF DOCUMENTS**

- a) Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company under the supervision of WB Committee for a minimum period of eight years or such period as may be prescribed under applicable laws.
- b) Such retention may be in digital form to the extent feasible.

## **9. DECISION ON COMPLAINT**

- 9.1** If an investigation leads WB Committee to conclude a violation or breach of the Code of Conduct, the WB Committee shall recommend to the Management of the Company to take such Disciplinary Action or corrective action.
- 9.2** It is clarified that any Disciplinary Action or corrective action initiated against the Subject as result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures as per the Code of Conduct or as per the terms of employment in the Company.





## **10. REPORTING & DISCLOSURES**

- 10.1** The WB Committee shall meet at least once in every quarter.
- 10.2** The WB Committee shall on regular basis submit a report to the Audit Committee regarding the effective functioning of Whistle-blower mechanism.
- 10.3** Details of the establishment of the Whistle-blower Policy and affirmation that no Whistle-blower was denied access to the Committee must be disclosed in the corporate governance section of the Company's annual report.

## 11. OTHER GENERAL CLAUSES

### 11.1 VERSION HISTORY

#	Version	Created by	Approved By	Effective from	Amendment Summary
1	1.1	Hemanshu Mehta, Head of GRC	Nirav Jagad-CHRO,	Mar, 2020	Policy drafted and published
2	1.2	Legal team in consultation with Risk Team	Surender-CHRO, Arvind- CFO Hemanshu Mehta- Head of Risk Team and Rajendra Punde- Head of GRC	Nov, 2021	Review by Legal for listing compliances during the IPO Process and published on website
3	1.3	<b>Hemanshu Mehta</b> , Head of Risk Team,  <b>Sulabh Kulshreshtha</b> , Associate Vice President, People & Culture.	<b>Surender Mehta</b> , CHRO  <b>Sujeet Jain</b> , Chief Legal & Regulatory Officer:	Mar, 2023	Key Changes: - enable reporting for stakeholder, - enabled whistle-blower third party helpline for receiving the complaint - establishing the Committee

This revised Policy shall be uploaded on the website of the Company

### 11.2 LIMITATION & AMENDMENT

- a) In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments or rules thereunder, the provisions of such Act or Listing Regulations or statutory enactments or Rules thereunder shall prevail over this Policy.
- b) Any subsequent amendment or modification in the Listing Regulations, Act and or applicable laws in this regard shall automatically apply to this Policy.
- c) The Company may amend or modify this Policy in whole or in part, at any time, however, such amendment or modification shall not affect the on-going or completed investigations.



**ANNEXURE A - PROCEDURE FOR REPORTING OF PROTECTED DISCLOSURES**

Employees, Directors, and Other Stakeholders eligible to make Protected Disclosures can connect with the Speak-up Helpline via the following channels listed below:

1	Phone (toll-free)	1800 210 8988
2	Email	<a href="mailto:nykaa@tip-offs.in">nykaa@tip-offs.in</a>
3	Web Portal and Chatbot	<a href="http://www.nykaa.tip-offs.in">www.nykaa.tip-offs.in</a>

The Chairperson of the Audit Committee may be reached by sending an email to [auditcommitteechair@nykaa.com](mailto:auditcommitteechair@nykaa.com).

## **ANNEXURE B – EXCERPTS FROM REGULATORY MANDATES**

### **Companies Act, 2013 - Section 177 (9) & (10)**

- Every listed company or such class or classes of companies, shall establish a vigil mechanism for Directors and employees to report genuine concerns
- The vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism
- Make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases and details of establishment of such mechanism shall be disclosed by the company on its website, if any, and in the Board's report.

**Reference:** <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/acts.html?act=NTk2MQ==>

### **Companies Rules, 2014 – (Chapter XII, Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014)**

- Vigil mechanism is applicable to:
  - (a) Every listed company
  - (b) the Companies which accept deposits from the public;
  - (c) the Companies which have borrowed money from banks and public financial institutions in excess of fifty crore rupees.
- The companies which are required to constitute an audit committee shall oversee the vigil mechanism through the committee and if any of the members of the committee have a conflict of interest in each case, they should recuse themselves and the others on the committee would deal with the matter on hand.
- In case of other companies, the Board of directors shall nominate a director to play the role of audit committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.
- The vigil mechanism shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee, or the director nominated to play the role of Audit Committee, as the case may be, in exceptional cases.
- In case of repeated frivolous complaints being filed by a director or an employee, the audit committee or the director nominated to play the role of audit committee may take suitable action against the concerned director or employee including reprimand.

**Reference:** <https://www.mca.gov.in/content/mca/global/en/acts-rules/ebooks/rules.html>

### **SEBI's LODR Regulation 4(2)(d)(iv)**

- The listed entity shall devise an effective vigil mechanism/whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

### **Regulation 22**

- The listed entity shall formulate a vigil mechanism/whistle blower policy for directors and employees to report genuine concerns.
- The vigil mechanism shall 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.



**Regulation 46(2)(e)**

- The listed entity shall disseminate the details of establishment of vigil mechanism/ Whistle Blower policy on its website.

**Schedule V Part C, Clause 10(c)**

- Corporate Governance Report: The disclosures shall be made in the section on the corporate governance of the annual report recording details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee.

**Schedule II Part C, Para A, Clause 18**

- The role of the audit committee shall include the review of the functioning of the whistle blower mechanism.

**SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 – Dated December 31, 2018 - Regulation 9A (6)**

- The listed company shall have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

**Reference:** [https://www.sebi.gov.in/legal/regulations/jul-2022/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-fifth-amendment-regulations-2022\\_61169.html](https://www.sebi.gov.in/legal/regulations/jul-2022/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-fifth-amendment-regulations-2022_61169.html)