



**MISTRAL SOLUTIONS
PRIVATE LIMITED**

**VIGIL MECHANISM
POLICY**

VIGIL MECHANISM POLICY

	Name	Function	Signature	Date
Prepared By	Sonal Dudani	Secretarial	-Sd-	-
Approved By	Audit Committee & Board		-Sd-	8-May-2024



Table of Contents

Contents

1. Objective of the Policy.....	4
2. Legal Framework.....	4
3. Scope and Applicability of the Policy	4
4. Definitions	5
5. Procedure for lodging a Protected Disclosure.....	6
6. Investigation.....	7
7. Protection to the Whistle Blower	9
8. Disqualifications	10
9. Reporting	11
10. Retention of documents	11
11. Review and Amendment.....	11
12. Website Disclosure	11
Annexure A.....	12



1. Objective of the Policy

The Company believes in conducting its business affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. This Policy establishes an internal framework which lays down the principles and standards for reporting instances of unethical or illegal business conduct, actual or suspected fraud amongst other things. Any actual or potential violation of this Policy, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. This Policy also provides necessary safeguards and protection to the employees, who disclose the instances of unethical practices/ behaviour observed in the Company.

2. Legal Framework

Section 177 (9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 mandates the following companies to establish a vigil mechanism:

The objective of the Policy is to:

- a) Every listed company,
- b) Every company which accepts deposits from the public and
- c) Every company which has borrowed money from banks and public financial institutions in excess of INR 50,00,00,000 (Rupees Fifty crore only)

The Company is statutorily required to establish a vigil mechanism given that its borrowing limit from banks and public financial institutions is in excess of INR 50,00,00,000 (Rupees Fifty crore only).

3. Scope and Applicability of the Policy

The Policy is applicable to various stakeholders of the Company, falling under the following categories, who are eligible to make Protected Disclosures under the Policy. They are collectively referred to as "**Covered persons**".

- a) All Directors and Senior Management of the Company;
- b) All Employees and ex- employees of the Company including Trainees and interns;
- c) Employees of other agencies deployed to the Company whether on contractual basis or otherwise;
- d) Shareholders, contractors, vendors, service providers, consultants, customers,

auditors, agencies engaged with the Company;

- e) Any other person associated with the Company in any capacity making Protected Disclosure. 4.1 “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company from time to time in accordance with Section 177 of the Companies Act, 2013.

f)

4. Definitions

- g) “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company from time to time in accordance with Section 177 of the Companies Act, 2013.

- h) “Board of Directors” or “Board” means the Board of Directors of the Company, as constituted from time to time.

- i) “Companies Act, 2013” or “CA 2013” means the Companies Act, 2013 and the rules and regulations made thereunder including any statutory modification or re-enactment thereof, for the time being in force.

- j) “Company” or “MSPL” means Mistral Solutions Private Limited.

- k) “Employee” means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.

- l) “Investigators” mean those persons authorised, appointed, consulted or approached by the Vigilance Officer or the Audit Committee and includes the auditors of the Company and the police and/or any personnel not associated with the Company, or employee nominated by Vigilance Officer or the Audit Committee for the purpose of conducting an investigation.

- m) “Policy” means the Vigil mechanism Policy as approved by the Board from time to time.

- n) “Protected Disclosure” means any written complaint or communication made in good faith that discloses or demonstrates Reportable Event in the format provided in Annexure A of this Policy.

- o) “Reportable Event” shall include events which have taken place / are suspected to have taken place involving the following and a Protected Disclosure may be made in such instances:

- Fraud or attempted fraud;
- Any activity which is unethical, biased, illegal, or detrimental to the financial and /or reputational interest of the Company;
- Attempt to conceal material facts;

- Unlawful acts – civil and criminal in nature, violation of law;
 - Financial or accounting malpractices;
 - Manipulation of Company’s data, records, misappropriation of Company funds/assets, any misrepresentation on behalf of the Company;
 - Negligence causing or leading to danger to public health or safety;
 - Pilferage of confidential/propriety information
 - Discrimination on any grounds, including, but not limited to, age, race, gender or nationality;
 - Breach of contract, Company’s policies, practices or procedures, employee code of conduct or rules;
 - Any form of abuse, including abuse of power and conflict of interest;
 - Victimization of Employee;
 - Proliferation of any confidential information or abuse of authority by the Directors/Employees of the Company.
 - Any other matter regarded as such by the Audit Committee.
- p) “Senior Management” means officers / personnel of the Company who are members of its core management team excluding the Board and shall comprise all members of management one level below the Chief Executive Officer/Managing Director/ Whole time Director/Manager (including Chief Executive Officer / Manager, in case they are not part of the Board) and shall specifically include the Company Secretary and Chief Financial Officer and all functional heads (excluding independent Directors).
- q) “Subject” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- r) “Vigilance Officer” means any person designated as such by the Board of Directors or the Audit Committee of the Company.
- s) “Whistle Blower” means a Covered person making a Protected Disclosure under this Policy.

5. Procedure for lodging a Protected Disclosure

- a) All Protected Disclosures concerning financial/accounting matters should be addressed to the Vigilance Officer for investigation, as soon as possible but not later than 30 consecutive days after becoming aware of the same.

- b) In respect of all Protected Disclosures concerning the Vigilance Officer and/or employees at the level of Directors or Senior Management, shall be directly addressed to the Audit Committee of the Company and those concerning other employees shall be addressed to the Vigilance Officer.
- c) The contact details of the Vigilance Officer along with the direct contact details of the Audit Committee will be displayed in a conspicuous place in all corporate offices of the Company.
- d) If a Protected Disclosure is received by any Employee or officer of the Company other than Vigilance Officer or the Audit Committee, the same shall be forwarded to the Vigilance Officer or the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.
- e) Protected Disclosures should 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, or in the regional language of the place of employment of the Whistle Blower. In case of receipt of Oral reports, the same shall be documented by the Vigilance Officer or Audit Committee and transcribed into English language or the regional language of the place of employment of the Whistle Blower and a copy of the written report be forwarded to the Whistle Blower to enable him / her to verify and confirm the details disclosed in the report. Upon verification / confirmation, the Whistle Blower shall provide the Vigilance Officer or Audit Committee with a signed copy of the written report.
- f) The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Vigilance Officer or the Audit Committee, shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation. Concerns expressed anonymously WILL NOT BE investigated.
- g) Protected Disclosures should be factual, 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. The Protected Disclosure can also contain financial information and/or proof or evidence of Reportable Event, wherever available.
- h) If initial enquiries by the Vigilance Officer indicate that the concern has no basis, or it is not a matter of investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.

6. Investigation

- a) All Protected Disclosures reported under this Policy will be thoroughly investigated by the Vigilance Officer or the Audit Committee of the Company who will investigate / oversee the investigation under the authorization of the Audit Committee.
- b) The Vigilance Officer or Audit Committee may at his discretion, consider involving any Investigator(s) for the purpose of investigation.

- c) Investigations will be launched only after a preliminary review by the Audit Committee or the Vigilance Officer, as the case may be, which establishes that:
- The Reportable event constitutes an improper or unethical activity or conduct, and
 - The Reportable event is supported by information specific enough to be investigated or in cases where the Reportable event is not supported by specific information, it is felt that the concerned matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or conduct.
- d) Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Vigilance Officer or the Audit Committee, as the case maybe.
- e) Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- f) The identity of a Whistle Blower and the matter of the Protected Disclosure shall be kept confidential unless required to be disclosed under any law or regulation or for fair investigation of the Protected Disclosure.
- g) 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.
- h) The Vigilance Officer/Committee shall:
- Make a detailed written record of the Protected Disclosure. The record will include:
 - i. Facts of the matter
 - ii. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - iii. Whether any Protected Disclosure was raised previously against the same subject;
 - iv. The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - v. Findings of Vigilance Officer/Committee;
 - vi. The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/other action/(s).
 - The Vigilance Officer/Committee shall finalize and submit the report within 15 days of being nominated/appointed, unless more time is required under exceptional circumstances.

- i) The investigation shall be completed within 15 days of the receipt of the Protected Disclosure, unless otherwise approved by the Audit Committee.
- j) If an investigation leads the Vigilance Officer or Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance Officer or Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Vigilance Officer or Audit Committee may deem 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. In case the Protected Disclosure is not proved, matter may be treated as closed.

Duties and Responsibilities of the Subjects:

- i. Subjects shall extend full co-operation to the Vigilance Officer or Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self- incrimination protections available under the applicable laws.
- ii. Subjects 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 Subjects.

Rights of the Subjects:

- i. Subjects have a right to consult with a person or persons of their choice, other than the Vigilance Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- ii. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject are not sustainable, then the Company may allow for reimbursement of such costs by the Whistle Blower.
- iii. 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. 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.

7. Protection to the Whistle Blower

- a) 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 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.

- b) A Whistle Blower may report any violation of the above clause to the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- c) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- d) In case a Whistle Blower feels that he /she has been victimized in employment related matters because of the Protected Disclosure, he / she can submit the grievance to the Audit Committee, giving specific details about the nature of victimization allegedly suffered by him/her. The Audit Committee shall undertake necessary actions to ensure adequate protection to the Whistle Blower.

8. Disqualifications

While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action including but not limited to the following:

- a) warnings and suspension
- b) withholding of promotions or pay increments
- c) written apologies
- d) termination of employment or any employment agreement
- e) revision of employment terms, agreement or contract
- f) recovery, if any
- g) legal action or
- h) any other action as may be decided by the Audit Committee

The disciplinary or corrective action against other personnel may include, any one or more of the following:

- a) termination of the contract or agreement
- b) recovery of expenses or charges, if any
- c) legal action or

- d) any other action as may be decided by the Audit Committee

Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.

9. Reporting

The Vigilance Officer shall submit a report to the Audit Committee on a quarterly basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

10.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 or till such time the legal action undertaken on this basis is concluded, whichever is later.

11.Review and Amendment

The Board may at any time, amend, suspend or rescind this Policy either pursuant to any changes in applicable provisions or otherwise. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s), etc. shall prevail over the provisions of this Policy.

12.Website Disclosure

The Company shall disclose the Policy on its website.

The details of this Policy shall be disclosed in the Board's Report. The Company shall annually affirm that it has not denied any personnel, access to the Audit Committee, as part of the Annual Report of the Company.

Annexure A

Format of Protected Disclosure

MISTRAL SOLUTIONS PRIVATE LIMITED

PROTECTED DISCLOURE UNDER VIGIL MECHANISM POLICY

A. Personal Details of the Whistle Blower:

Name:

Employee Code (if applicable):

Designation (if applicable):

Address:

Contact Number:

Email ID:

B. Protected Disclosure:

Subject:

(a person against or in relation to whom a Protected Disclosure is being made -
Name and other details to be furnished)

Reportable Event Details:

Signature:

Date:

Place: