

VIGIL MECHANISM

INTRODUCTION:

Escorp Asset Management Limited (hereinafter to referred as “Escorp” / “Company”) believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

Our Company has formed a Vigil Mechanism as per Section 177(9) of Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 which is required by every listed company, companies which accept deposits from the public and companies which have borrowed money from banks and public financial institutions in excess of fifty crores rupees to establish a vigil mechanism for Directors and Employees to report their genuine concerns about on unethical behavior / misconduct / actual or suspended frauds / violation of code conduct.

The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, inter alia, contains similar requirement for establishment of a Vigil Mechanism termed ‘Whistle Blower Policy’ under following Regulations read with Schedule II:

- **Regulation 4(2) (d) (iv):** *The listed entity shall devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.*
- **Regulation 46(2)(e):** *The listed entity shall disseminate details of establishment of vigil mechanism / Whistle Blower policy on its functional website.*
- **Regulation 18(3):** *The role of the audit committee shall include to review the functioning of the whistle blower mechanism. In line with the commitment and legal requirement, CRIL has established Vigil/ Whistle Blower Mechanism and formulated policy for the same.*

In view of this, the Company has establish a secured system to enable our Director & Employees to report their genuine concerns, generally impacting / affecting business of our Company, including but not limited to improper or unethical behavior / misconduct / actual or suspended frauds / violation of code of conduct.

Any Director or employee can directly email his/her concern or complaint to email id as mentioned in the Whistle Blower & Vigil Mechanism policy. The Company will take appropriate action for its resolution. Anonymous communications will not normally be entertained.

All the Directors and Employees are assured that this mechanism provides adequate safeguard against victimization of the concerned Director / Employee. In case of repeated frivolous complaints being filed by a Director or an employee suitable action will be taken against the concerned Director or Employee.

POLICY OBJECTIVE:

This Vigil Mechanism/Whistle Blower Policy (“the policy”) has been formulated with a view to provide a mechanism for employees of the Company to raise concerns of suspected frauds, any violations of legal/regulatory requirements or code of conduct/policy of the Company, incorrect or misrepresentation of any financial statements and reports, etc.

The purpose of this Policy is to encourage ESCORP Employees and Directors who have concerns about suspected misconduct to come forward and express these concerns without fear or punishment or unfair treatment. The policy aims to provide an avenue for employees and directors to raise concerns and reassure them that they will be protected from reprisals or victimization for whistle blowing in good faith.

SCOPE:

The employees and directors of ESCORP are eligible to make protected disclosures under the Policy. An employee/director can avail of the channel provided by this Policy for raising an issue covered under this Policy. The Policy covers malpractices and events which have taken place/suspected to take place including but not limited to the following –

1. Abuse of authority Breach of contract
2. Negligence causing substantial and specific danger to public health and safety
3. Manipulation of ESCORP date/records/accounts/reports
4. Financial irregularities, including fraud or suspected fraud or Deficiencies in internal Control and c heck or deliberate error in preparations of financial Statements or Misrepresentation of financial reports Any unlawful act whether Criminal/Civil
5. Pilferage of confidential/propriety information
6. Deliberate violation of law/regulation
7. Misappropriation of funds/assets
8. Deliberate violation of Rules/Code of Conduct/Policy
9. Any matter or activity on account of which the interest of the Company is affected
10. However this policy neither releases employees/directors 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 against people in authority and/ or colleagues in general.

DEFINITIONS:

‘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”.

‘Audit Committee’ means a committee constituted by the Board of Directors of the Company in accordance with the guidelines of Listing Agreement and Companies Act, 2013.

‘Board’ means the Board of Directors of the Company.

‘Company’ means the Escorp Asset Management Limited.

‘Code’ means Code of Conduct for Directors and Senior Management Executives adopted by Escorp Asset Management.

‘Employees’ means the present employees’ of the Company (Whether working in India or abroad).

‘Protected Disclosure’ means a concern raised by director, employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity with respect to the Company.

‘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.

‘Vigilance and Ethics Officer’ means an officer appointed to receive protected Disclosures from Whistle Blower, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle blower the result thereof. Here in this company, Compliance Officer will be considered as Vigilance and Ethics Officer.

‘Whistle Blower’ is an employee/director or group of employees/directors who make a protected disclosure under this policy and also referred to in this policy as complainant.

ELIGIBILITY:

All Employees and directors of the company are eligible to make protected Disclosures under the policy in relation to matters concerning the company.

RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES:

All protected Disclosures should be reported in writing and in duplicate by the whistle blower as soon as possible after the Whistle blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English / Hindi.

The protected disclosure should be submitted in a closed and secure 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". Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.

The Protected Disclosure should be forwarded under a covering letter signed by the complainant i.e. the protected disclosure and its covering letter should be separate to ensure that the identity of the complainant remains secure and confidential; the protected Disclosure should not be signed by the Complainant. The Vigilance and Ethics Office / Chairman of the Audit Committee as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

Protected disclosures should be factual and not speculative or in the nature off a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the company or to the Chairman of the Audit Committee as stated below:

- a) Any protected Disclosure against any employee of the Company shall be addressed to the Vigilance and Ethics Officer of the Company.
- b) Any protected Disclosure against any director of the Company (except Chairman of the Audit Committee) should be addressed to the Chairman of the Audit committee.
- c) Any Protected Disclosure against the Chairman of the Audit Committee should be addressed to the Vigilance and Ethics Officer of the Company.
- d) On receipt of the protected Disclosure, the Vigilance and Ethics Officer/ Chairman of the Audit Committee, as the case may be, shall make a record of the protected disclosure and also ascertain from the Whistle Blower whether he was the person who made the Protected Disclosure or not.

INVESTIGATION:

All Protected Disclosures under this policy will be recorded and thoroughly investigated by the Vigilance and Ethics Officer of the company who will investigate / oversee the investigations under the authorization of the Audit committee and may at its discretion consider involving any other Office(s)/ Employee(s) of the Company and/ or an outside agency for the purpose of investigation.

The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

- a. 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.
- b. Subject(s) shall have a duty to co-operate with the Vigilance & ethics Officer/ Audit committee or any of the officer(s)/Employee(s) or an outside agency appointed by them in this regard.
- c. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee. 6.6 Subject(s) have a right to be heard and the Vigilance and Ethics Officer must give adequate time and opportunity for the subject to communicate his/her says in the matter.
- d. 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).
- e. 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.
- f. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject(s) should be consulted as to whether public disclosure of the investigation results would be in the best interest of the subject(s) and the company.
- g. The Vigilance and Ethics Officer shall complete the investigation normally within 90 days of the receipt of the protected Disclosure and is extendable by such period as the Audit committee deems fit.

INVESTIGATORS:

Investigators are required to conduct a process towards fact-finding and analysis, Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.

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.

DECISION:

If an investigation leads the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Audit Committee may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject(s) as a result of the findings of an investigation pursuant to this Policy, shall adhere to the applicable disciplinary procedures.

REPORTING:

The Vigilance and Ethics Officer shall submit a report to the Audit Committee on quarterly basis about all protected disclosures referred to him since the last report together with the results of investigations, if any.

SECRECY / CONFIDENTIALITY:

The Whistle blower, vigilance and Ethics Officer, members of Audit committee, the subject(s) and everybody involved in the process shall:

- Maintain confidentiality of all matters under this Policy
- Discuss only to the extent or with those persons as required under this policy
- For completing the process of investigations on need to know basis. Not keep the papers unattended anywhere at any time.
- Keep the electronic mails / files under password

PROTECTION:

No unfair treatment will be meted out to a Whistle blower by virtue of his/ her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns, any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle blower. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected disclosure.

The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the protected disclosure. Thus if the Whistle blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle blower to receive advice about the procedure etc.

The identity of the Whistle blower shall be kept confidential to the extent possible and permitted under law. The identity of the Whistle blower will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the Whistle Blower being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure.

Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower. Provided however that the Whistle blower before making a complaint has reasonable belief that an issue

exists and he has acted in good faith. Any complaint not made in good faith as assessed such by the Audit Committee shall be viewed seriously and the Whistle Blower shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

Whistle Blower may report any violations of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE:

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

COMMUNICATION:

The Whistle Blower policy cannot be effective unless it is proper communicated to employees. Employees shall be informed through by email and the website of the company.

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 4 (Four) years or such other period as specified by any other law in force, whichever is more.

AMENDMENT:

The board with the concurrence o the Audit Committed 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 unless the same is notified to the Employees in writing via email or otherwise.