

## Whistle Blower Policy

### 01. PREFACE

STCI Finance Limited (hereinafter referred to as “the Company” or “STCI”), is committed to the highest standards of integrity and ethical behaviour and promoting and maintaining a corporate culture that adheres to these values. This is relied upon by our shareholders, the financial markets and other stakeholders. The Company, therefore, has a duty to ensure that there is an adequate mechanism to address any complaints related to violation of the Code of Conduct, fraud, violation of the company’s policies and procedures, law or regulations and other questionable accounting, auditing matter or operational process followed. In pursuance of this philosophy, the Company already has in place a Whistle Blower Policy which provides a mechanism to employees of the Company to promptly report actual violation of Code of Conduct or any unacceptable practice or an event he becomes aware of that could affect the business or reputation of his or any other subsidiary Company.

Section 177 (9) of the Companies Act, 2013 and the rules framed there under, inter alia provides, a mandatory requirement for all listed companies and companies which have borrowed funds from Banks and Public financial Institution in excess of Rs. 50 crore, to establish a vigil mechanism for directors and employees to report genuine concerns or grievances. Such vigil mechanism shall provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Accordingly, the Company’s Whistle Blower Policy has been reviewed and amended in the light of the Vigil Mechanism envisaged under Section 177 of the Companies Act, 2013 and the rules framed there under to provide a robust mechanism for directors, employees etc to ensure high standards of integrity, honesty and ethical behavior.

### 02. DEFINITIONS

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

**"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.

**"Employee"** means every employee of the Company, including the Directors in the employment of the Company.

**"Code of Conduct"** means the Code of Conduct as adopted by the Board of Directors from time to time for its Directors and Employees.

**"Directors/Board"** means the Board of Directors of STCI Finance Limited.

**"Investigators"** mean those persons authorised, appointed, consulted or approached by the Principle Officer or the Audit Committee and includes the auditors of the Company and the Police.

**"Principal Officer"** means the Managing Director of the Company.

**"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence illegal or unethical or actual or suspected fraud or violation of the Company’s code or policies or any improper activity.

**"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.

**"Whistle Blower"** means an employee, director or stakeholder of the company who makes or attempts to make a protected disclosure as defined above.

**"Whistle Blowing"** the deliberate, voluntary and protected disclosure of individual or organisational malpractice by a whistle blower who has or had privileged access to data, events or information about an actual, suspected or anticipated wrongdoing within or by the organisation that is within its ability to control.”

### **03. ELIGIBILITY**

All employees, directors, customers, vendors, contractors, members and any person having association/dealing with the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosure may be in relation to the Company or any other subsidiary company.

### **04. SCOPE/COVERAGE OF THE POLICY**

The Protected Disclosures under this policy covers unethical or improper activity, malpractice and any event of misconduct which has taken place /suspected to take place which include but not limited to the following action:

1. Abuse of authority
2. Breach of Company's Code of conduct or Ethics Policy
3. Deliberate violation of laws/ regulations, Company's policies, Rules, procedures etc
4. Intentional Financial or Compliance irregularities, including fraud, or suspected fraud.
5. Breach of terms & conditions of employment
6. Manipulation of Company data / records
7. Acts involving acceptance of bribe or any other form of corruption
8. Wastage/ misappropriation of company funds/assets
9. Pilferation of confidential/ propriety information

Any activity of unethical behaviour, actual or suspected fraud or any other activity injurious to the interests of the Company.

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

The Policy should not be used in place of the Company's grievance or other procedures or be a route for raising malicious or unfounded allegations against colleagues Career related or other personal grievances are excluded from the policy.

Financial or business decisions taken by management/ employees in good faith will not be questioned under this policy.

### **06. PROCEDURE**

All Protected Disclosures should be addressed by the Whistle Blower to the Principal Officer. The contact details of the Principal Officer are as under:

**Mr. Pradeep Madhav**  
Managing Director & CEO  
**STCI Finance Limited**  
A/B1-802, Marathon Innova, Marathon  
Nextgen Compound, Off Ganpatrao Kadam Marg,  
Lower Parel. Mumbai 400 013.

**E-mail Id:** [pradeep@stcionline.com](mailto:pradeep@stcionline.com)

In event of conflict of interest between the Whistle Blower and the Principal Officer, the Protected Disclosures may be addressed to the Chairperson of the Audit Committee. The Whistle Blower in in appropriate or exceptional cases will have direct access to the Chairperson of the Audit Committee. The contact details of the Chairperson of the Audit Committee are as under:

**Mr. S.Ravi**  
Audit Committee Chairperson  
**STCI Finance Limited**  
A/B1-802, Marathon Innova, Marathon  
Nextgen Compound, Off Ganpatrao  
Kadam Marg, Lower Parel (W)  
Mumbai 400 013.

**Email Id:** [s.ravi.fca@gmail.com](mailto:s.ravi.fca@gmail.com)

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, Hindi or in the regional language of the place of employment of the Whistle Blower. 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.

The Protected Disclosure should be forwarded under a covering letter which shall bear the identity and address of the Whistle Blower. Anonymous disclosures will not be entertained as it would not be possible for it to interview the Whistle Blowers. The complaint can also be lodged over e-mail to the Principal Officer/Chairman Audit Committee.

The Principal Officer/Chairman of the Audit Committee shall detach the covering letter and process the Protected Disclosure. If initial enquiries by the Principal officer or Chairman of the Audit Committee (in exceptional cases) indicate that the issue raised has no basis or is not a matter to be pursued or further investigated under this policy, it may be dismissed at this stage and the decision will be documented. If initial enquiries indicate that further investigation is necessary, the Principal officer/Chairperson of the Audit committee shall forward the Protected Disclosure to the Management for the purpose for investigation. All Protected Disclosures received under the Whistle Blower Policy/ Vigil Mechanism shall be recorded and reported/ brought to the attention of the Audit Committee.

## **07. INVESTIGATION**

All Protected Disclosures requiring further investigation under this Policy would be thoroughly investigated. The Principal officer/Chairperson of the Audit Committee would either himself/herself or by involving any Investigators, investigate / oversee the investigation under authorisation of the Audit Committee. The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact-finding process. If any member of the Audit Committee or any Officer involved in investigation has a conflict of interest in any given case, then he/she should recuse himself or herself and other members of the Committee should deal with the matter in hand.

The Whistle Blower, Principal Officer, Members of the Audit Committee, the Subject and every body involved in the process of investigation shall maintain confidentiality of the information disclosed during the course of the investigation to the extent possible, except where necessary to conduct the investigation and take any remedial action, in accordance with applicable law. The Subject, employees and supervisors have a duty to cooperate with the Principal officer/ Chairman of Audit Committee/ Investigators during investigation. Depending on the nature of the complaint, the Subject at the outset of formal investigations, may be informed of the allegations against him/her and have opportunities for providing their inputs during the investigation. If the subject fails to cooperate in an investigation, or deliberately provides false information during an investigation, he/she shall be subject to disciplinary action.

No allegation of wrongdoing against a subject shall be considered as maintainable unless there is an evidence in support of the allegation.

## **08. 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 Blower against any unfair practice like retaliation, threat, intimidation, discrimination, any type of harassment, biased behaviour 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.

A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee who shall recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential at all times i.e. during and after completion of the investigation. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

Protection to Whistle Blower under this policy shall be available provided that the Protected Disclosure is made in good faith the whistle blower has reasonable information or documents in support thereof not for personal gain or animosity against the subject Anyone who retaliates against someone who has reported a violation in good faith is subject to disciplinary action.

## **09. DISQUALIFICATION**

While it would be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of protection would warrant disciplinary action. A whistleblower who makes Protected Disclosures, which have subsequently found to be malafide or malicious or a Whistle Blower who makes three or more complaints, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, would be disqualified to report further protected disclosures under this policy. In

respect of such Whistle Blowers, the Principal Officer/Audit Committee would reserve its right to recommend/take appropriate disciplinary action.

## **10. DECISION AND REPORTING**

If at the conclusion of its investigation, an improper or illegal or unethical practice or conduct or a violation of Company's Code or policy is proved, the Principal Officer / the Audit Committee shall recommend the Management of the Company to take such disciplinary or corrective action commensurate with the severity of the offense as well as preventive measures for the future, as it may deem fit. It is clarified that any disciplinary or corrective action initiated against the subject as a result of findings of investigation pursuant to this policy shall adhere to the applicable staff conduct and disciplinary procedures and applicable rules, procedures and policies of the Company.

A report on all Protected Disclosures received under the Policy and their outcome shall be placed before the Audit Committee on regular basis.

## **11. 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 five years.

## **12. ADDITIONAL ENFORCEMENT INFORMATION**

In addition to the Company's internal complaint procedure, employees should also be aware that certain central, federal, local and state law enforcement agencies are authorized to review questionable or potentially fraudulent reports. The Company's policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies will be viewed as unacceptable under the terms of employment at the Company. Certain violations of the Company's policies and practices could even subject the Company and any individual employees involved to civil and criminal penalties. Before issues or behaviour can rise to that level, employees are encouraged to report violations covered hereinabove. Nothing in this Policy is intended to prevent an employee from reporting information to the appropriate agency when the employee has reasonable cause to believe that the violation of a central, federal, local or state statute or regulation has occurred.

## **13. IMPLEMENTATION AND REVIEW OF THE POLICY**

The Audit Committee shall oversee the implementation of the Whistle Blower Policy/Vigil mechanism. A report on the Protected Disclosures received along with the summary of findings and the action taken thereon shall be placed before the Audit Committee on a regular basis.

While the Company has made best efforts to give the detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures from time to time to give effect to the intent of this policy and objectives of good corporate governance.

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever with approval of the Board on the recommendation of the Audit Committee.

## **14. NOTIFICATION**

The policy including the amendments thereto will be notified by making the same available on the website of the Company.

**Disclaimer:** The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from your computer.