



WHISTLE BLOWER POLICY AND VIGIL MECHANISM

➤ **PREFACE**

SAGAR PRODUCTIONS LIMITED (hereinafter referred to “SPL” or “Company” in this document) believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Section 177 of the Companies Act, 2013 mandates every listed Company and other prescribed class of Companies to establish a Vigil Mechanism for the Directors and employees to report genuine concerns and grievances in such a manner as may be prescribed.

Also, Revised Clause 49 of the Listing Agreement (effective from 1st October, 2014) requires establishment of Vigil Mechanism for Directors and employees to report concerns about unethical conduct, practices, behaviour, suspected frauds or violation of Company’s Code of Conduct or Ethics policy.

The Company is committed to develop a culture where it is safe to raise concerns about any misconduct, unacceptable practice or behaviour, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company.

Such a Vigil Mechanism shall provide for adequate safeguards against victimisation of Directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in appropriate or exceptional cases.

➤ **POLICY OBJECTIVES**

1. The rationale of Whistle blower Policy is to allow the employees and/or Directors to raise concerns about unacceptable improper practices and/or any unethical practices being followed in the organization without necessarily informing their immediate superiors.
2. In compliance of the above requirements, SPL, being a Listed Company has established a Vigil Mechanism/ Whistle Blower Policy in order to provide a framework to protect such whistleblowers who wishes to raise a concern about serious irregularities within the Company. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects directors and employees wishing to raise a concern about serious irregularities within the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.
3. To encourage all its stakeholders to communicate and raise any behavior or practice, they may be aware of and suspect to be unethical, illegal or otherwise inappropriate and harmful to the company to an internal authority so that action can be taken immediately to resolve the problem.

➤ **IMPORTANT DEFINITIONS**

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

- a. **“Audit Committee”** means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- b. **“Code”** means the Code of Conduct for Directors and Senior Management as adopted by the Company.
- c. **“Director”** means a Director appointed to the Board of Directors of the Company or other group as the case may be.
- d. **“Employee”** means every Employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- e. **“Vigilance and Ethics Officer”** means an Employee of the Company appointed by the Company to handle the complaint under this policy and ensure appropriate actions. The Vigilance and Ethics Officer will assist the Audit Committee in implementation of this Policy.
- f. **“Investigators”** mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee and include the Auditors of the Company and the Auditor of the Group as the case may be and can include the external law enforcement agencies.
- g. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- h. **“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, includes the person which
 - Provide full cooperation to the investigation team.
 - Be informed of the outcome of the investigation
 - Accept the decision of the Audit Committee
 - Maintain strict confidentiality
- i. **“Whistleblower”** means an Employee or Director making a Protected Disclosure under this Policy.

➤ **INTERPRETATION**

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

➤ **ELIGIBILITY**

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company and the Group.

➤ **GUIDING PRINCIPLES**

To ensure that this policy is adhered to, and to ensure that the concern will be acted upon seriously, the Company will:

- a. Ensure that the Whistle blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- b. Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- c. Ensure complete Confidentiality;
- d. Take disciplinary action , if anyone destroys or conceals evidence of the protected disclosure made/to be made;
- e. Not attempt to conceal evidence of the Protected Disclosure;
- f. Provide an opportunity of being heard to the persons involved to the subject.

➤ **DISQUALIFICATIONS**

- a. Whistle Blowers are accorded complete protection from any kind of unfair treatment. However, abuse of this protection will warrant disciplinary action.
- b. Whistle blowers who make three or more false/ malafide Protected Disclosures which subsequently are found to be baseless, malicious, frivolous or reported otherwise than in good faith will be disqualified from reporting further Protected Disclosures under this policy. In respect of such Whistle Blowers, the Company/ Audit Committee would reserve its right to recommend appropriate disciplinary action.

➤ **COVERAGE OF POLICY**

This Policy is intended to cover serious concerns and malpractices that could have a significant impact on the Company and the Group, such as actions (actual or suspected) that involve:

- Failure to comply with legal/ regulatory obligations.
- Any miscarriage of justice or its likelihood of occurrence.
- Breach of Company's Code of Conduct
- Any act which may lead to incorrect financial reporting and not in line with applicable company policy.
- Situations which endanger the health or safety of Employees or the Public
- Financial irregularities, including fraud, or suspected fraud.
- Criminal offence.
- Abuse of authority with malafide intentions.
- Pilferation of confidential/propriety information.
- Deliberate violation of law/regulation.
- Insider Trading
- Sexual Assault
- Corruption & Bribery
- Violation of Human Rights
- Any instance/act detrimental to the image/reputation of the group.
- Any other form of improper action or conduct.
- Deliberate concealment/attempts to conceal information relating to any of the above.

The above list is only illustrative and should not be considered as exhaustive.

➤ **ROLE OF WHISTLE BLOWER**

- a. The Whistle Blower's role shall be limited to reporting of liable information with evidentiary value and enough ground to substantiate the concern and provide appropriate supporting in the form of documentation/ communication/audio/video/picture etc. They are not expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- b. Whistle blower should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities Committee or the Investigators.
- c. The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

➤ **REPORTING MECHANISM OF PROTECTED DISCLOSURES**

- a. All Protected Disclosures or complaints to be reported by the Whistle blowers as soon as possible after the matter comes to light to avoid undue delay or complexities.
- b. Protected Disclosures should preferably 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.
- c. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle blower. The Vigilance and Ethics Officer or the Chairman of the Audit Committee, as the case may be shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- d. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information.
- e. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

Name & Address-

- **Mr. Ram Avtar Kankani, Chairman – Audit Committee**
907, Dev Plaza, Opp. Andheri Fire Station,
Andheri-West, Mumbai – 400059
- **Mr. Kalakad Sathi, Whole-time Director**
907, Dev Plaza, Opp. Andheri Fire Station,
Andheri-West, Mumbai - 400059

➤ **INVESTIGATION**

- a) All Protected Disclosures reported under this Policy will be recorded and thoroughly investigated by the Vigilance and Ethics Officer / Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any Member of the Audit Committee has a conflict of interest in any given case, then he/she should rescue himself/herself and the other members of the Audit Committee should deal with the matter on hand.
- b) The Vigilance and Ethics Officer / Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- c) The decision to conduct an investigation taken by the Vigilance and Ethics Officer / Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle blower that an improper or unethical act was committed.
- d) The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e) Subject(s) will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f) Subject(s) shall have a duty to co-operate with the Vigilance and Ethics Officer/ Chairman of the 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.
- g) 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 and/or the Whistle blower. Subject(s) shall be free at any time to engage counsel at his/her own cost to represent them in the investigation proceedings.
- h) Subject(s) 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.
- i) Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- j) Subject(s) 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.
- k) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

➤ **PROTECTION TO WHISTLE BLOWER**

- a. SPL prohibits and discourages the retribution against anyone for raising or for helping to address integrity concerns. A genuine whistle blower is protected from any damage to his/her career, name or reputation.

- b. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy.
- c. Harassment or victimization of the whistle blower will not be tolerated and could constitute sufficient grounds for disciplinary action including dismissal of the Employee, causing such harassment.
- d. Every effort will be made to protect the identity of the Subject(s) and the Whistle Blower to the extent possible given the legitimate needs of law and the investigation.
- e. Whistle blowers are encouraged to immediately report any acts of retribution that have happened to them, due to the fact that they made a disclosure.
- f. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

➤ **DECISION AND REPORTING**

- a. If an investigation leads the Vigilance and Ethics Officer/ Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer/ Chairman of the Audit Committee shall recommend the management of the Company to take such disciplinary or corrective action as they 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 personnel or staff conduct and disciplinary procedures.
- b. The Vigilance and Ethics Officer shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

➤ **REPORTING & REVIEW**

The competent Authority shall submit a quarterly report of the protected disclosures, received and of the investigation conducted and of the action taken to the Audit Committee for review.

➤ **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 Committee is authorized to prescribe suitable directions in this regard.

➤ **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 (7) years or such other period as specified by any other law in force, whichever is more.

➤ **CONFIDENTIALITY**

The complainant, Vigilance Officer and Ethics Officer, Members of Audit Committee, the Subject 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 and keep the papers in safe custody.

➤ **NON- VICTIMIZATION**

It is hereby declared that there will be no adverse personnel action, victimization, retaliation or discrimination against the whistle blower. If a whistle blower has been victimized/ discriminated against he /she may lodge a written complaint to the Chairman of the Audit Committee.

If as a result of such investigations, subject is found to have taken adverse personnel action directly/ indirectly, victimized or retaliated against Whistle Blower, then the Whistle Blower Committee may recommend appropriate action against such individual which could include termination of his/her services with the Company and/or initiation of appropriate legal action against the individual. The Chairman of the Audit Committee may take appropriate action on the basis of the recommendation of the Whistle Blower Committee.

➤ **PRECAUTIONS**

It may be noted that an individual who knowingly makes frivolous or false complaints without any reasons to believe, will not be safeguarded or protected under this Policy. This will also apply to those individuals, who make false statements or give false evidence during investigations. Also, please note that this Policy is not a Grievance Redressal or incident Management Policy and thus no complaints of such nature shall be addressed during this policy.

➤ **AMENDMENT**

The Company 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 and Directors unless the same is notified to the Employees and Directors in writing.
