



Avanti Finance Private Limited

Whistle blower policy

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AVANTI FINANCE PRIVATE LIMITED

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1. Introduction

Avanti Finance Private Limited (hereinafter referred to as 'the Company') strongly believes in conducting all affairs of its constituents in a fair and transparent manner by adopting the highest standards of honesty, inclusiveness, professionalism, integrity and ethical behaviour.

The whistle blower policy has been formulated as part of corporate governance norms and transparency where the employees, customers or stakeholders are encouraged to refer any complaints which have not been resolved or satisfactorily resolved within the usual applicable protocols. The employees may refer any complaints covering areas such as corruption, misuse of office, criminal offences, suspected / actual fraud, failure to comply with existing rules and regulations, conflicts of interest, related party transactions and acts resulting in financial loss/ operational risk, loss of reputation, etc.

This policy shall provide a channel to the employees (including directors) and other stakeholders to report to the management or the board about unethical behaviour, actual or suspected fraud or violation of the Code of Business ethics or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports and such other matters.

2. Objectives of the Policy

The key objectives of the policy are as under:

1. Promote a culture of speaking up/ raising red flags on matters relating to breaches/ violations of the Company's Code of Business ethics or fraudulent transactions.
2. Provide a platform and mechanism for the employees and relevant stakeholders to voice genuine concerns of grievances about unprofessional conduct without the fear of reprisal to the employee raising the concern.
3. Provide a non-threatening environment to employees to discuss matters relating to the Code of Business ethics.
4. Adhere to the highest standards of ethical, moral and legal conduct of business operations.
5. Promote clean business transactions, professionalism, productivity, promptness and transparent practices and ensures putting in place systems and procedures to curb opportunities for corruption.
6. Sustain, strengthen and encourage a culture of integrity & compliance
7. Institutionalize a mechanism for protection of employees from reprisals or victimization, for whistle blowing in good faith as the Company strictly follows No Retaliation Policy.
8. Provide an assurance to external stakeholders that there is internal cordiality and transparency.
9. Treat the violations/ breaches/ non-compliance at various levels of the Company with vigour and due care and accordingly realign processes and take corrective actions as part of its corporate governance.

The Policy shall help the Company to create an environment where employees and relevant stakeholders feel free and secure to raise the alarm where they see a problem. It shall also ensure that whistleblowers are protected from retribution, whether within or outside the Company.

3. Applicability of the Policy

The Policy applies to all the Company's employees. The policy shall also apply to any complaints made by other stakeholders of the Company such as outsourced agents, customers and members of public.

4. Governance Structure

Avanti Finance Private Limited has devised an effective whistle blower mechanism enabling stakeholders, including individual employees to freely communicate their concerns about illegal or unethical practices.

4.1 Nominated Director

Dr. Vijay Kelkar, Director of the company has been nominated by the Company's Board of Directors to review the effectiveness of the vigil mechanism and implementation of the Whistle Blower Policy to provide adequate safeguards against victimization of employees and relevant stakeholders. The details of establishment of Vigil mechanism shall be disclosed by the Company on the website, if any, and in the Board's Report to the stakeholders.

In case of repeated frivolous complaints being filed by a director or an employee, the Audit committee (when it is formed) or a director to be nominated by the Board *{(As required under Section 177 of the Companies Act, 2013 read along with Rule 7 of The Companies (Meetings of Board and its Powers) Rules, 2014}* shall take suitable action against the concerned director or employee.

4.2 Whistle blowers Committee

The Whistle-blower committee shall comprise Mr. Rahul Gupta, Mr. Manish Thakkar and Mr. Sunil Kumar Tadepalli. The Committee shall look into the complaints report prepared by the nominated officer Mr. Saikrishnan Srinivasan and can suo moto institute further investigation / call for additional documentary evidence before submitting its findings on the matter.

The findings of the whistleblower committee shall be suggested to the nominated Director for his / her decision (or the audit committee when required to be setup).

5. Scope

This Policy intends to cover serious complaints that could have grave impact on the operations and performance of the business of the Company. Receipt of information about corruption, malpractice or misconduct on the part of employees, from whatever source,

would be termed as a complaint. Complaints may be received from any of the following sources:

- Complaints received from employees of the organisation or from the public
- Departmental inspection reports
- Scrutiny of transactions reported under the Code of Business ethics
- Reports of irregularities in accounts detected in the routine audit of accounts, e.g. tampering with records, over-payments, misappropriation of money or materials, etc.
- Audit reports of the accounts of the Company
- Complaints and allegations appearing in the press, etc.
- Source information, if received verbally from an identifiable source, to be reduced in writing.
- Intelligence gathered by agencies like CBI, local bodies etc.

Under the Policy, employees and relevant stakeholders of the Company having sufficient grounds for a concern can lodge complaints.

The Policy intends to cover the following types of complaints:

- Fraudulent activities or activities in which there is suspected fraud
- Intentional or deliberate non-compliance with laws, regulations and policies
- Questionable accounting practices including misappropriation of monies
- Illegal activities
- Corruption and deception
- Misuse/ Abuse of authority
- Violation of the Company's rules, manipulations and negligence
- Breach of contract
- Pilferation of confidential/proprietary information
- Deliberate violation of law/regulation
- Wastage/misappropriation of Company's funds/assets
- Malpractices/ events) causing danger to public health and safety.

The following nature of complaints shall not be covered in the policy:

- Complaints those are frivolous in nature.
- Issues relating to personal grievance (increment, promotion, etc.)

6. Guiding Principles

To ensure that this Policy is adhered to, and to assure that the concerns raised under this Policy will be acted upon seriously, the Company will:

- Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized
- Ensure complete confidentiality of the identity of the WhistleBlower
- Not attempt to conceal evidence of the Protected Disclosure

- Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made
- Provide an opportunity of being heard to the persons involved, especially to the subject
- Provide protection to Whistle Blower under this Policy provided that Protected Disclosure is made in good faith, the WhistleBlower has reasonable information or documents in support thereof and not for personal gain or animosity against the subject
- Ensure that the Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious be liable to Disciplinary Action.
- Take Disciplinary Action for event covered under this Policy or upon victimizing Whistle Blower or any person processing the Protected Disclosure or if any one destroys or conceals evidence of the Protected Disclosure made/to be made.
- Ensure that any other Director/ Employee or other stakeholders assisting in the said investigation or furnishing evidence, is protected to the same extent as the Whistleblower.

7. Procedure

7.1 Lodging of Complaints

The Protected Disclosure shall be submitted in a closed and secured envelope and shall be super scribed as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email or any other acceptable mode of communication with the subject “Protected disclosure under the Whistle Blower policy” to a functional email id of the company who’s access is only with the whistle-blower committee. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Board to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure.

In order to protect identity of the complainant, the nominated officer (*or designated equivalent officer*) will not issue any acknowledgement to the complainants and they are advised neither to write their name/address on the envelope nor enter into any further correspondence with the nominated officer. The nominated officer shall assure that in case any further clarification is required he will get in touch with the complainant.

The Company shall not entertain anonymous / pseudonymous disclosures except of such disclosures have merit shall be entertained.

The Protected Disclosure shall be forwarded under a covering letter signed by the complainant. The nominated officer shall detach the covering letter bearing the identity of the WhistleBlower and process only the Protected Disclosure.

All Protected Disclosures shall be addressed to the nominated officer or Director of the Company or to the audit committee (*when the committee is required to be legally setup*).

The Protected Disclosures shall be addressed to the following address:

The Nominated officer OR the nominated *Director*
Avanti Finance Private Limited,
Floor-3rd, 10, Elphinstone Building,
Veer Nariman Road, Horniman Circle, Fort, Mumbai
Maharashtra 400001
E-mail: whistleblower@avantifinance.in

7.2 Receipt of Complaint

On receipt of the protected disclosure the nominated officer shall maintain and preserve records of the Protected Disclosure and also ascertain from the complainant whether he / she was the person who made the protected disclosure or not. The record will include:

- Brief facts
- whether the same Protected Disclosure was raised previously on the same subject and if so, the outcome thereof
- Details of actions taken by the nominated officer (*or equivalent department*) or CEO for processing the complaint
- Findings of the Audit Committee (*or the whistle-blower committee duly approved by the board*), the recommendations of the Committee/ other action(s).

An exclusive e-mail ID under the control of the whistle-blower committee has been set up to which any Wrongful Conduct can be reported by any WhistleBlower. The said email id is: - whistleblower@avantifinance.in

The nominated officer will carry out a preliminary analysis as to whether the complaint pertains to Wrongful Conduct or not or there is a prima-facie case and shall then refer the matter to the Whistleblower committee.

The Whistleblower Committee, if deems fit, may call for further information or particulars from the complainant.

7.3 Investigation Report

All Protected Disclosures reported under this Policy will be thoroughly investigated by the nominated officer of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. The nominated officer may at its discretion consider involving any investigators for the purpose of investigation.

The decision to conduct an investigation taken into a Protected Disclosure by itself is not an acceptance of the accusation by the Authority. It is to be treated as a neutral fact-finding process because the outcome of the investigation may or may not support accusation; unless there are compelling reasons not to do so, subjects will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a subject shall be considered as maintainable unless there is good evidence in support of the allegation.

The subject shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.

The nominated officer shall normally complete the investigation within 45 days of the receipt of protected disclosure.

Based on a thorough examination of the findings, the nominated officer shall submit a report to the Whistleblower 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.

The Committee shall look into the complaints report prepared by the nominated officer and can suo moto institute further investigation / call for additional documentary evidence before submitting its findings on the matter. The findings of the whistleblower committee shall be suggested to the nominated Director for his / her decision (or the audit committee when required to be setup). The findings of the whistleblower committee shall be suggested to the nominated Director for his / her decision (or the audit committee when required to be setup).

7.4 Appeal and Decision

If an investigation leads the nominated officer to conclude that an improper or unethical act has been committed which would result in suggested disciplinary action, including dismissal, if applicable; the nominated officer shall recommend to the WhistleBlower Committee of the Company to take such disciplinary or corrective action as he may deem fit. All discussions would be documented and the final report will be recommended by the whistleblower committee and duly approved by the Nominated Director.

If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

7.5 Confidentiality

Every effort will be made to protect the identity of the complainant, subject to legal constraints except in cases where the complainant turns out to be vexatious or frivolous and action has to be initiated against the complainant. In the event of the identity of the complainant being disclosed, the nominated officer can initiate appropriate action against the person making such disclosure.

7.6 Protection

The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against WhistleBlowers. Complete protection will therefore be given to WhistleBlowers 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.

A WhistleBlower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the Internal Complaint Committee.

8. Record Keeping

All documentation pertaining to the complaint including the investigation report, corrective action taken and evidence will be maintained for a period of 8 years or such other period as specified by any other law in force, whichever is more.

9. Reporting Requirements

The following are the reporting requirements -

- The details of establishment of Vigil mechanism shall be disclosed by the Company on the website, if any, and in the Board's Report.
- Whistle blower policy, and affirmation that no personnel has been denied access to the Board for reporting actions under the whistle blower policy.

10. Definitions

1. **Audit Committee:** A Committee constituted by the Board of Directors of the Company in accordance with Companies Act, 2013.
2. **Protected Disclosure:** a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature
3. **Subject:** a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation
4. **Whistle Blower/Complainant:** an Employee making a Protected Disclosure under this Policy. An employee making a disclosure under this process is commonly referred to as a complainant. The complainant is not expected to prove the truth of an allegation, the complainant needs to demonstrate that there are sufficient grounds for concern and expected to provide the complete details/evidences in his possession.