



VIGIL MECHANISM POLICY

1) PREAMBLE

- The Companies Act 2013 under the provisions of Section 177 read with Rule 7 of The Companies (Meeting of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a vigil mechanism –
 - i. Every listed company;
 - ii. Every company which accepts deposits from the public; and
 - iii. Every company which has borrowed money from banks and public financial institutions in excess of Rs. 50 Crores
- Further, Regulation 4(2)(d)(iv) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Regulations) provides “The listed entity shall devise an effective whistleblower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.”

Pursuant to the provisions of Section 177 (9) & (10) read with rule 7 of The Companies (Meeting of Board and its Powers) Rules, 2014, and Regulation 4(2)(d)(iv) of SEBI Regulations the Company has set up the following Vigil Mechanism which lays down the principles and standards governing the reporting and resolution of genuine concerns or grievances of Stakeholders of the Company. The mechanism shall be overseen by the Audit Committee of the Company.

- The 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 behaviour. Any actual or potential violation of these standards, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the Whistleblower in pointing out such violations of these standards cannot be undermined.

2) DEFINITION

- **Audit Committee** means Audit Committee constituted by the Board of Directors of the Company.
- **Company** means “Phoenix ARC Private Limited”.
- **Director** means every director on the Board of Directors of the Company.
- **Disciplinary Action** means any action that can be taken on the completion of / during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties, termination of employment or any such action as is deemed to be fit considering the gravity of the matter.



- **Employee** means an employee on the rolls of the Company and appointed as such including their representative bodies.
- **Fraud** in relation to affairs of a Company includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the Company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.
- **Investigator** means those persons authorised, appointed, consulted or approached by the Nominated Director and includes the auditors of the Company.
- **Nominated Director** means a Director nominated by the Board of Directors for the purpose of addressing the complaints / Protected Disclosures made under this Policy.
- **Policy** means the Vigil Mechanism Policy.
- **Protected Disclosure** means a concern raised by Whistleblower , through a written communication and made in good faith which discloses or demonstrates, verifiable information about an unethical or improper activity with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- **Subject** means a person(s) against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- **Stakeholders** means and includes shareholders, debenture holders, Employees and Directors of the Company.
- **Whistleblower** means Stakeholders making a Protected Disclosure under this Policy.

3) APPLICABILITY:

This Policy is applicable to the Stakeholders of the Company.

4) POLICY OBJECTIVES

- The Vigil Mechanism aims to provide a channel to the Whistleblowers to report their genuine concerns or grievances about actual or suspected fraud, violation of applicable laws and regulations, irregularities, misconduct, incorrect or misrepresentation of any financial statements and reports, unauthorised disclosure of unpublished price sensitive information or alleged violation of insider trading laws, etc., or violation of Code of Conduct that can lead to financial or reputational loss to the Company to the extent applicable.



- The mechanism provides for adequate safeguards against victimization of the Whistleblower and also provide for direct access in certain cases to the Audit Committee at the specific request of the Audit Committee.
- Subject to the provisions of this Policy, this neither releases Employees 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 about a personal situation.

5) **SCOPE**

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- abuse of authority
- breach of contract
- manipulation of Company data/records financial irregularities, including Fraud or suspected fraud or deficiencies in Internal Control and checks or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports.
- pilferage of confidential proprietary information
- deliberate violation of law/regulation
- breach of Company Policies or failure to implement or comply with any approved Company Policy.
- unauthorised disclosure of unpublished price sensitive information or alleged violation of insider trading laws, etc.
- violation of Code of Conduct of the Company

6) **PROCEDURE/REPORTING**

- a) All Protected Disclosures should be reported in writing to the Nominated Director.
- b) The contact details of the Nominated Director are as under:

Mr. Keki Elavia,
Address: Flat No. 603, 36AB (previously known as Anand Bhavan), Anand Bhavan CHS Ltd., 36th Road, Near National College, Bandra West, Mumbai 400050
Email: keki.elavia@hotmail.com

- c) Protected Disclosure should be submitted under a covering letter signed by the Whistleblower giving his/ her full details like name, contact details, and full identification information in a closed and secured envelope and should be superscribed as “**Protected Disclosure**” or sent through email with the subject “**Protected Disclosure**”.
- d) 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.

- e) Anonymous / Pseudonymous disclosure shall not be entertained.
- f) The Nominated Director on the receipt of any of the above Protected Disclosures shall make a record of the disclosure and also ascertain identity of the Whistleblower.
- g) The Nominated Director and Investigator shall maintain confidentiality on the identity of the Whistleblower.

7) INVESTIGATION

- a) On receipt of Protected Disclosure, Nominated Director shall with the help of Investigators carry out preliminary review to ascertain the genuineness of the Protected Disclosure. If during the preliminary review, the disclosure is found to be genuine, such Protected Disclosures shall be thoroughly investigated by the Nominated Director or the Investigator(s) so appointed by the Nominated Director.
- b) Investigator(s) are required to conduct a process towards fact finding and analysis. Investigator(s) shall derive their authority from the Nominated Director when acting within the course and scope for their investigation.
- c) If the Nominated Director or Investigator involved in the investigation have a conflict of interest in a given case, they should recuse themselves and any other member of the Audit Committee would deal with the matter on hand.
- d) The Nominated Director / Investigator as it deems fit, may call for further information from the Whistleblower.
- e) The Nominated Director shall inform the Audit Committee about the receipt of Protected Disclosure and the action being taken.
- f) The identity of the Subject will be kept confidential to the extent possible.
- g) Subject will normally be informed of the allegations and will be provided opportunity of being heard during the course of the investigation.
- h) The Nominated Director / Investigator shall conduct such investigation in a timely manner. The Nominated Director shall submit a written report containing the findings of the investigation along with his recommendations to the Audit Committee as soon as practically possible and in any case, not later than 60 (sixty) days from the date of receipt of the Protected Disclosure. Audit Committee may allow additional time for submission of the report based on the circumstances of the case.



- i) If an investigation leads to a conclusion that an improper or unethical act has been committed, the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- j) The Nominated Director will ensure action on the recommendations of the of the Audit Committee and keep the Whistleblower informed of the same.

8) CONFIDENTIALITY

The Whistleblower, the Nominated Director, , the Subject, Investigator and other persons involved in the investigation process shall, maintain confidentiality of all matters under this Policy.

Confidentiality of the Protected Disclosures along with the results of investigation relating thereto shall be maintained. Further all Protected Disclosures and results of the investigation documented in writing shall be kept in safe custody and maintained by the Company for a minimum period of eight years.

9) PROTECTION

No unfair treatment will be meted out to a Whistleblower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimisation of Whistleblower shall be provided. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure.

10) DISQUALIFICATIONS

- While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this Policy will warrant Disciplinary Action/ Legal Action against any Whistleblower.
- Protection under this Policy would not mean protection from Disciplinary Action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a malafide intention.
- Whistleblowers who make three or more Protected Disclosures, which have been subsequently found to be either malafide or baseless or frivolous or malicious or in bad faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company would reserve its right to take/recommend appropriate Disciplinary Action.

11) 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.