

## VIGIL MECHANISM POLICY

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### 1. POLICY PREAMBLE

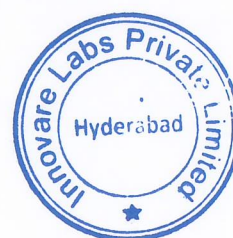
- 1.1 INNOVARE LABS PRIVATE LIMITED believes in promoting a fair, transparent, ethical, and professional work environment. While the Company policy on Code of Conduct & Ethics defines the expectations from employees in terms of their integrity and professional conduct, the vigil mechanism defines the mechanism for reporting deviations from the standards defined in the code.
- 1.2 The Vigil mechanism is implemented not only as a safeguard to unethical practices but is intended to provide structured procedure for reporting genuine concerns or grievance and ensure that the deviations from the Company's Business Conduct Manual and Values are dealt with, in a fair and unbiased manner as provided in Section 177 (9) and (10) of the Companies Act, 2013 and rules made thereunder.
- 1.3 Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism.
- 1.4 In compliance of the above requirements, INNOVARE LABS PRIVATE LIMITED, being a private Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

### 2. OBJECTIVE

- 2.1 The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees of the company to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy.
- 2.2 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment.
- 2.3 The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism.
- 2.4 This neither releases employees from their duty of confidentiality in the course of their work nor it can be used as a route for raising malicious or unfounded allegations about a personal situation.

### 3. SCOPE

- 3.1 The Policy is an extension of the Code of Conduct & Ethics for all employees including Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/suspected to take place involving:
  - I. Breach of the Company's Code of Conduct
  - II. Breach of Business Integrity and Ethics
  - III. Breach of terms and conditions of employment and rules thereof
  - IV. Intentional Financial irregularities, including fraud, or suspected fraud
  - V. Deliberate violation of laws/regulations



- VI. Gross or Wilful Negligence causing substantial and specific danger to health, safety and environment
- VII. Manipulation of company data/records
- VIII. Pilferation of confidential/propriety information
- IX. Gross Wastage /misappropriation of Company funds/assets

#### 4. ELIGIBILITY

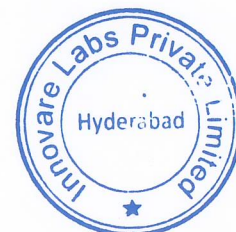
- 4.1 All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

#### 5. DEFINITIONS

- 5.1 Definitions of some of the key terms used in this mechanism are given below:
- I. "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 safety or abuse of authority.
  - II. "Board" means the Board of Directors of the Company.
  - III. "Company" means INNOVARE LABS PRIVATE LIMITED and all its offices.
  - IV. "Code" means Code of Conduct & Ethics for all Employees including Directors and Senior Management Executives adopted by the Company.
  - V. "Employee" means all the present employees and Directors of the Company.
  - VI. "Protected Disclosure" means a concern raised by an 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 under the title "SCOPE OF THE POLICY" 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.
  - VII. "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.
  - VIII. "Vigilance Officer" means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Committee for its disposal and informing the Whistle Blower the result thereof.
  - IX. "Whistle Blower" is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

#### 6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES:

- 6.1. All Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English or any local vernacular language.
- 6.2. The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be superscribed as "Protected disclosure under the Whistle Blower policy" or sent through email with the subject "Protected disclosure under the



Whistle Blower policy". If the complaint is not super scribed and closed or mailed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

- 6.3. All Protected Disclosures should be addressed to the Vigilance Officer of the Company. The contact details of the Vigilance Officer

Name and Address– Mr. I.V. Sunil Kumar, Director and CEO.

INNOVARE LABS PRIVATE LIMITED,

Plot No: 64, Road No: 5, ALEAP Industrial Estate,

Gajularamaram, Pragathi Nagar, Hyderabad

Rangareddy District, Telangana 500090 India

Email : sunil@innovarelabs.com

Protected Disclosure against the Vigilance Officer should be address to the Director of the Company. Detail of Director as follow:

Name and Address– Mr. Ravi Tadikonda

INNOVARE LABS PRIVATE LIMITED,

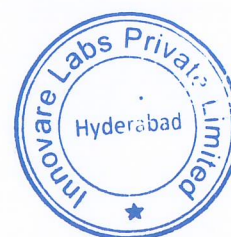
Plot No: 64, Road No: 5, ALEAP Industrial Estate,

Gajularamaram, Pragathi Nagar, Hyderabad

Rangareddy District, Telangana 500090 India

Email : ravi@innovarelabs.com

- 6.4. In order to protect the identity of the complainant, the Vigilance Officer shall not issue any acknowledgement to the complainants, and they are not advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer.
- 6.5. Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance Officer.
- 6.6. On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure. She/He shall make a record of the Protected Disclosure and also ascertain from the complainant whether she/he was the person who made the protected disclosure or not.
- 6.7. The Vigilance Officer shall also carry out initial investigation either himself/herself or by involving any other Officer of the Company or an outside agency before referring the matter to the Board of Directors of the Company for further appropriate investigation and needful action. The record will include:
- I. Brief facts;
  - II. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  - III. Whether the same Protected Disclosure was raised previously on the same subject;
  - IV. Details of actions taken by Vigilance Officer for processing the complaint
  - V. Findings of the Vigilance Officer
  - VI. The recommendations of the Vigilance Officer / other action(s).

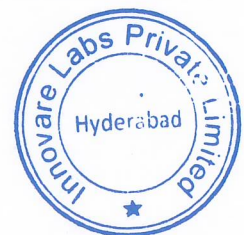


## **7. INVESTIGATION**

- 7.1. All Protected Disclosures under this policy will be recorded and thoroughly investigated.
- 7.2. The Board of Directors, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and /or Committee and /or an outside agency for the purpose of investigation.
- 7.3. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process.
- 7.4. Subject(s) shall 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.
- 7.5. Subject(s) shall have a duty to co-operate with the Vigilance Officer / Investigators or any of the Officers appointed by it in this regard.
- 7.6. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance Officer / Investigators.
- 7.7. 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).
- 7.8. 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.
- 7.9. Subject(s) have a right to be informed of the outcome of the investigations.
- 7.10. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Board deems fit.
- 7.11. Any member of the Board or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

## **8. DECISION AND REPORTING**

- 8.1. If an investigation leads to a conclusion that an improper or unethical act has been committed, Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- 8.2. Any disciplinary or corrective action initiated against the Subject 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.
- 8.3. In case the Subject is the Vigilance Officer, after examining the Protected Disclosure, it shall be forwarded to the Board of Directors if deemed fit. The Board of Directors shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4. 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.



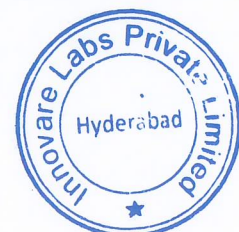
- 8.5. A complainant who makes false allegations of unethical and improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## 9. CONFIDENTIALITY

- 9.1. The complainant, Vigilance Officer, Members of Board, 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.
- 9.2. Disciplinary action may be initiated against anyone found not complying with the below:
- I. Maintain complete confidentiality and secrecy of the matter.
  - II. The matter should not be discussed in social gatherings or with individuals who are not involved in the review or investigation of the matter.
  - III. The matter should only be discussed only to the extent or with the persons required for the purpose of completing the investigation.
  - IV. Ensure confidentiality of documents reviewed during the investigation should be maintained.
  - V. Ensure secrecy of the whistleblower, subject, protected disclosure, investigation team and witnesses assisting in the investigation should be maintained.

## 10. PROTECTION

- 10.1. No unfair treatment shall 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 Blowers. Complete protection shall, 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 shall 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 shall arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2. A Whistle Blower may report any violation of the above clause to the Vigilance Officer, who shall investigate into the same and recommend suitable action to the management.
- 10.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he/she himself/herself has made either his/her details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Vigilance Officer is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.



10.4. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he/she has acted in good faith. Any complaint not made in good faith as assessed as such by the Vigilance Officer shall be viewed seriously and the complainant 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.

**11. DISQUALIFICATIONS**

- 11.1. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- 11.2. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a malafide intention.
- 11.3. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be malafide, frivolous or malicious, shall be liable to be prosecuted.

**12. COMMUNICATION**

12.1. Directors and Employees shall be informed of the Policy by publishing on the notice board and on the website of the Company.

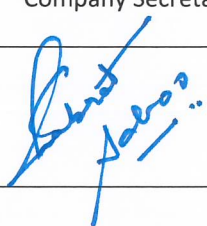
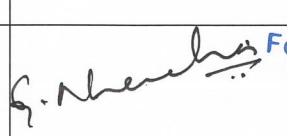
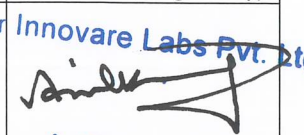
**13. RETENTION OF DOCUMENTS**

13.1. 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 5 (five) years or such other period as specified by any other law in force, whichever is more.

**14. AMENDMENT**

14.1. The Company reserves its right to amend or modify this Policy in whole or in part, at anytime without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Directors and employees unless the same is not communicated in the manner described as above.

**DOCUMENT VERSION CONTROLS:**

Version No.	Effective Date	Prepared by:	Modified by:	Reviewed and Approved by Board of Directors:
01	15 <sup>th</sup> December 2021	<b>Mr. Subrat Sahoo</b> Company Secretary	<b>Ms. Neelima Gurazada</b> Manager-HR	<b>Mr. Anil Kumar</b> Chief Financial Officer (Authorized Signatory)
Signatures			 For	 Innovare Labs Pvt. Ltd. Authorized Signatory

