



SUNRAJ DIAMOND EXPORTS LIMITED

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

1. **PREFACE:**

This policy is framed as per Section 177 of the Companies Act, 2013 and relevant Rules thereon, and regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations {SEBI (LODR) Regulations} and shall be called “**Whistle Blower policy/Vigil Mechanism**”

This policy is formulated to provide an opportunity and an avenue to employees, to raise concerns and to access in good faith the Audit and Ethics Committee, in case they observe any unethical and improper practices or any other wrongful conduct in the company. It seeks to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against such employees. The main intent of the policy is to ensure that the Company continues to strive to the highest possible standards of Ethical, Moral, and Legal Business conduct and its commitment to open communication.

However, a disciplinary action against the Whistle Blower which occurs on account of poor job performance or misconduct by the Whistle Blower, and which is independent of any disclosure made by the Whistle Blower, shall not be protected under this policy.

For the sake of absolute clarity, it is specified that the Whistle Blower Policy does not tantamount, in any manner, to dilution of the vigilance mechanism in Sunraj Diamond Exports Limited. Any Protected Disclosure made by an employee under this policy, if perceived to have a vigilance angle, shall be referred to the Chief Vigilance Officer, as per the existing practice.

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers.

2. **DEFINITIONS:**

- a. “**Act**” means Companies Act, 2013, as amended from time to time.
- b. “**Audit and Ethics Committee**” or “**Competent Authority**” means the Audit Committee of the Board constituted by the Board of Directors of the Company in accordance with Section 177 of the Act and read with Regulation 18 of Listing Regulations.
- c. “**Company**” or “**Listed Entity**” means Sunraj Diamond Exports Limited.
- d. “**Employee**” means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.
- e. “**Improper Activity**” means Unethical behavior, actual or suspected fraud or Violation of the company’s general guidelines on conduct or ethics policy by any

employee of the Company.

- f. **“Investigators”** means those persons authorized, appointed, consulted or approached by the competent authority in connection with conducting investigation into a protected disclosure and include the Auditors of the Company.
- g. **“Listing Regulations”** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- h. **“Protected Disclosure”** means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title **“SCOPE OF THE POLICY”** with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- i. **“Subjects”** means an employee – officer/staff against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of investigation.
- j. **“Whistle Blower”** means an Employee making a protected Disclosure under this policy.

3. **ELIGIBILITY:**

All the employees of the Company, directors and stakeholders are eligible to make protected disclosure under the Policy in relation to matters concerning the Company.

4. **GUIDELINE PRINCIPLES:**

- a. Competent Authority shall oversee the Whistle Blower Policy/Vigil Mechanism and if any of the members of the committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.
- b. Protected Disclosures shall be acted upon in a time bound manner.
- c. Complete confidentiality of the Whistle Blower will be maintained.
- d. The Whistle Blower and/or the person(s) processing the protected disclosure will not be subjected to victimization.
- e. Evidence of the protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.’
- f. ‘Subject’ of the Protected Disclosure i.e., employee against or in relation to whom a protected Disclosure has been made, will be provided an opportunity of being heard.
- g. The Whistle Blower should bring to attention of the Competent Authority at earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.
- h. The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality.

5. **WHISTLE BLOWER – ROLE & PROTECTIONS:**

A. Role:

- a. The Whistle Blower's role is that of a reporting party with reliable information.
- b. The Whistle Blower is not required or expected to conduct any investigations on his own.
- c. The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he shall not have a right to participate.
- d. Protected Disclosure will be appropriately dealt with by the competent authority.
- e. The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.
- f. The Whistle Blower shall report the Protected Disclosure to the Audit and Ethics Committee or any other member of the Audit and Ethics Committee nominated by the Committee. However, in appropriate or exceptional cases he may report the same to the Chairperson of the Audit & Ethics Committee.

B. Protections:

- a. Genuine Whistle Blowers will be accorded protection from any kind of harassment / unfair treatment / victimization. However, motivated and frivolous disclosures shall be discouraged.
- b. No unfair treatment will be meted out to a Whistle Blower by virtue of his / her having reported a Protected Disclosure. 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 or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior 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. If the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, arrangements will be made for the Whistle Blower to receive advice about the procedure. Expenses incurred by the Whistle Blower in connection with the above, towards travels etc. will be reimbursed as per normal entitlements.
- c. A Whistle Blower may report any violation of clause (b) above to the Competent Authority who shall investigate into the same and take corrective action, as may be required.
- d. Any other Employee assisting in the said investigations shall also be protected to the same extent as the Whistle Blower.

6. **PROCEDURES – ESSENTIALS AND HANDLING OF PROTECTED DISCLOSURE:**

- a. The protected Disclosure/Complaint should be attached to a letter bearing the

identity of the Whistle Blower/complainant, i.e., his/her Name, Employee Number and Location, and should be inserted in an envelope which should be **closed/secured/sealed**. The envelope thus secured/sealed should be addressed to the Competent Authority and should be **superscribed “Protected Disclosure”**. (If the envelope is not superscribed and closed/sealed/secured, it will not be possible to provide protection to the Whistle Blower as specified under this policy).

- b. There shall be a letter box in the Office of the Company duly locked with its key remaining with person designated by Competent Authority. The complaint so received superscribed of “Complaint under Whistle Blower Policy” shall be put in the box for confidentiality & to be opened by designated person only.
- c. Anonymous or pseudonymous Protected Disclosure shall not be entertained.
- d. Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or regional language of the place of the employment of the Whistle Blower and should provide a clear understanding of the improper Activity involved or issue / concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- e. The Contact details of the Competent Authority for addressing and sending the Protected Disclosure is as follows:
Mr. Shivil Kapoor,
Chairman of Audit Committee
Sunraj Diamond Exports Limited
616 Prasad Chambers, 6th Flr, Plot CS 1487, Tata Road 2,Roxy Cinema, Opera House, Girgaon Mumbai- 400004.
E-mail: info@sunrajdiamonds.com
- f. The Confidential section, as nominated by Competent Authority, shall maintain a record of the protected disclosure received. The Confidential Section shall inform the Competent Authority about receipt of the protected disclosure within three days of its receipt and it shall submit the same to the Competent Authority in the sealed condition in its immediate next meeting.
- g. The Competent Authority shall meet and weed out frivolous complaints and the protected disclosures(s) which require further investigation shall be forwarded to the investigator(s), to be appointed in consultation with Competent Authority, through the Confidential Section. The Competent Authority shall also have powers to seek opinion from any expert.

7. INVESTIGATIONS AND THE ROLE OF INVESTIGATORS:

- a. Investigation shall be launched if the Competent Authority is satisfied after preliminary review that:
 - the alleged act constitutes an improper or unethical activity or conduct, and
 - the allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter deserves investigation.
- b. The decision taken by the Competent Authority to conduct an investigation is, by

itself, not to be construed as an accusation and is to be treated as a neutral fact finding process.

- c. The identity of the subject(s) and the Whistle Blower will be kept confidential.
- d. Subject(s) will normally be informed of the allegation at the commencement of a formal investigation and will be given opportunities for providing their inputs during the investigation.
- e. Subject(s) shall have a duty to co-operate with the investigators(s) during investigation to the extent that such co-operation will not compromise self-incrimination protection available under the applicable laws.
- f. Subject(s) have a responsibility not to interfere with the investigations. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the subject(s).
- g. Unless there are compelling reason not to do so, Subjects(s) will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- h. The investigation shall be completed normally within 45 days of the receipt of the protected disclosure by investigator(s) or such extended period as the Competent Authority may permit for reasons to be recorded.
- i. Subject(s) have a right to be informed of the outcome of the investigation.

8. **ROLE OF INVESTIGATOR(S):**

- a. Investigator(s) are required to conduct a process towards fact finding and analysis. Investigator(s) shall derive their authority from Competent Authority when acting within the course and scope of their investigations. The investigators shall submit his/their report to the Competent Authority.
- b. All investigators shall perform their role in an independent and unbiased manner. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of professional standards. The investigation would be conducted as a neutral fact finding process and without any presumption of guilt. A written report of the findings would be essential.

9. **ACTION:**

- a. If the Competent Authority is of the opinion that the investigation discloses the existence of improper activity which is an offence punishable in law, the Competent Authority may direct the concerned authority to take disciplinary action under applicable statutory provisions including referring the matter to Chief Vigilance Officer of Sunraj Diamond for Appropriate action.
- b. The Competent Authority shall take such other remedial action as it deem fit to remedy the improper activity mentioned in the Protected Disclosure and /or to prevent there-occurrence of such improper activity.
- c. If the investigation discloses that no further action on the protected disclosure is warranted, the report shall be filed in the Confidential Section.

10. REPORTING AND REVIEW:

The Competent Authority shall submit a quarterly report of the protected disclosures received and of the investigations conducted, and of the action taken to the Board of Directors for information and review.

11. NOTIFICATION:

All Executives Directors / Chief General Managers / Regional General Managers / Departmental Heads etc. are required to notify & communicate the existence and content of this policy to the employees of their Region/ Department. The Whistle Blower policy shall be prominently displayed on all Notice Boards of the Company. This policy, including amendments thereof, shall also be made available on the Company's website.

12. ANNUAL AFFIRMATION

The Company shall annually affirm that it has not denied any employee access to the Audit and Ethics Committee and that it has provided protection to the Whistle Blower from adverse action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the company.

13. AMENDMENTS

This policy can be modified at any time by the Audit and Ethics Committee, which will be subject to its approval by the Board of Directors of the Company.

14. SECRECY/CONFIDENTIALITY

The Whistle Blower, the Subjects, the Investigator and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.
