

Sulabh Engineers and Services Limited
Whistleblower policy

1. Preface

Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates that every listed company to constitute a vigil mechanism.

Further, Clause 49 of the Listing Agreement between listed companies and the Indian Stock Exchanges has been recently amended which, *inter alia* provides for a mandatory requirement for all listed companies to establish a mechanism called the ‘Whistleblower Policy’ for directors and employees to report concerns of unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy.

Accordingly, this Whistleblower Policy (“the Policy”) has been formulated with a view to provide a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Company.

2. Definitions

a. “**Audit Committee**” means the Audit Committee 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. “**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.

c. “**Employee**” means every employee of the Company including the directors in the employment of the Company.

d. “**Code**” means the SES Code of Conduct.

e. “**Investigators**” mean those persons appointed by the Chairman of the Audit Committee and includes the auditors of the Company.

f. “**Protected Disclosure**” means any communication made in good faith that discloses information that may evidence unethical or improper activity.

g. “**Subject**” means a person against or in relation to whom a Protected Disclosure has been made during the course of an investigation.

h. “**Whistleblower**” means an employee or director making a Protected Disclosure under this Policy.

3. Scope

- a. The Company seeks to provide a procedure for all the employees of Sulabh Engineers & Services Limited and its subsidiaries to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting.
- b. The Company also provides necessary safeguards to all whistle blowers for making Protected Disclosure in good faith.

4. Procedure

- a. All Protected Disclosures should be addressed to the Chairman of the Audit Committee of the Company for investigation.
The contact details of the Chairman of the Audit Committee are as under:
MR RAJIV AGARWAL
117/K/6, SCHEME-III, R.S.PURAM, KAKADEO, KANPUR, 208005, UTTAR PRADESH
- b. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised.
- c. The Protected Disclosure should bear the identity of the Whistleblower. Anonymous disclosures will also be entertained. However it may not be possible to grant the Whistleblowers protection under the policy.
- d. Protected Disclosures should not be speculative and should contain as much specific information as possible to allow for proper investigative procedure.

5. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee.
- b. The Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- c. The identity of a Subject will be kept confidential to the extent possible.
- d. Subjects will normally be informed of the allegations at the commencement of formal investigation and have opportunities to give their inputs.
- e. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistleblower.
- f. Subjects have a responsibility not to interfere with the investigation.

- g. Subjects will be given the opportunity of being heard against the allegation made.
- h. Subjects have a right to be informed of the outcome of the investigation
- i. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.
- j. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.

6. Protection

If one raises a concern under this Policy, he/she will not be at risk of suffering any form of unfair treatment. The Company, as a policy, condemns any kind of discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy.

7. Decision

On the basis of investigation if Chairman of the Audit Committee is of the opinion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary action as the Chairman of the Audit Committee deems fit.

8. Preservation 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 years.

9. Amendment

The Company has the 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.

23 September 2014