

SWASTIKA INVESTMART LIMITED

VIGIL MECHANISM / WHISTLE BLOWER POLICY

1. PREFACE

Pursuant to Regulation 22 of Securities and exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per applicable provisions of Section 177 of the Companies Act, 2013, every listed company is required to establish a Whistle Blower Policy/Vigil Mechanism for the Directors and Employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

Swastika Investmart Limited ("The Company") has adopted a Code of Conduct ("the Code") for its Directors and Senior Management Staff, which lays down the principles and standards that should govern the actions of the Company as a whole and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The vigilance mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases.

Under these circumstances, Swastika Investmart Limited, being a Listed Company has established a Whistle Blower / Vigil Mechanism and formulated a policy for the same.

2. POLICY OBJECTIVE

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy.

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.

The mechanism provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

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.

3. DEFINITIONS

The definitions of some of the key terms used in the policy are given below:

- 1) **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with the Section 177 of the Companies Act, 2014 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2) **“Code”** mean the Code of Conduct of Swastika Investmart Ltd. adopted for Directors and Senior Management Staff.
- 3) **“Director”** means every Director of the Company, past or present.
- 4) **“Employee”** means every employee of the Company, including the Directors in the Employment of the Company.
- 5) **“Protected Disclosure”** means 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.
- 6) **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- 7) **“Whistle Blower”** “ is a Director or employee who makes a Protected Disclosure under this Policy and he/she is also referred to as complainant in this policy.

4. SCOPE

The Policy is an extension of the Code of Conduct for Directors & Senior Management Staff and covers disclosure of any unethical and improper malpractices and events which have taken place/ suspected to take place involving:

- 1) Breach of the Company’s Code of Conduct
- 2) Breach of Business Integrity and Ethics of the Company
- 3) Breach of terms and conditions of employment and rules thereof
- 4) Intentional Financial irregularities, including fraud, or suspected fraud
- 5) Deliberate violation of laws/regulations of the Company
- 6) Gross or willful negligence causing substantial and specific danger to health, safety of the employees of the company
- 7) Willful Manipulation/tampering in company data/records
- 8) Pilferation of confidential/propriety information of the Company
- 9) Gross Wastage/misappropriation of Company funds/assets.

5. ELIBIGILITY

All Directors and all the Employees of the Company are eligible to make Protected Disclosures under the policy in relation to matters concerning the Company.

6. PROCEDURE

The Employees and Directors are required to promptly report of any improper practice they become aware of, to ensure that damage/potential damage to the company is minimized. It is highly recommended that any reporting shall be done with proper proof, and to do this, the whistle blower is advised to collect and submit all possible evidences within his/her capability. In this process, the whistle Blower has to make sure that the rules/regulations and policies/procedures of the company are not violated. However, if the employee or director who wishes to complaint, does not have proper proof or is totally not in a position to get the required proof, but strongly believes that some wrongful activity is being done by any person in the company, then that reporting also can be done.

Reporting should be preferably in writing so as to give a clear understanding of the issues raised and it should either be typed or written in a legible handwriting in English or Hindi or in the regional language of the place of the employment of the whistle blower. The whistle blower is required to mention his/her name and designation in the complaint. It will be fully confidential and the details of the whistle Blower will not be disclosed.

All the reporting for this purpose should be addressed to the Compliance Officer of the Company. The Contact details of the Compliance officer are as under:

Name and Address:

Ms. Shikha Bansal
Swastika Investmart Ltd.
48, Jaora Compound, MYH Road,
Indore- 452001 (India)
Email-shikha.bansal@swastika.co.in

Further, if a complainant has a Protected Disclosure against the Compliance Officer of the Company, it should be addressed to Chairman of the Company and if such Protected Disclosure is against the Chairman of the Company, it should be directly addressed to Chairman of the Audit Committee.

Name and Address of the CEO of the Company:

Mr.Sunil Nyati,
Swastika Investmart Ltd.
48, Jaora Compound, MYH Road,
Indore- 452001 (India)
Email-md@swastika.co.in

Name and Address of the Chairman of the Audit Committee: **Mr. Chandrashekhar Bobra,**

Swastika Investmart Ltd.
48, Jaora Compound, MYH Road,
Indore- 452001 (India)
Email-vigilance_ac@swastika.co.in

7. INVESTIGATION

All Protected Disclosures made under this policy will be recorded and thoroughly investigated, either by the Compliance Officer, himself/herself, or by involving any Officer of the Company or any other person as may be deemed necessary for speedy disposal of the complaint.

After the required investigation and study of the proofs submitted by the whistle Blower, if the Compliance officer is of the view that the protected disclosure cannot be resolved at his/her level and that it is vital enough to be presented before the Audit Committee, then the Audit Committee will be informed about the same.

In the process of further enquiry by The Audit Committee, if it deems fit, it may call for further information or particulars from the complainant and at its discretion, consider involving any Officer of the Company or any other person as may be deemed necessary by the committee.

In normal course of action, the investigation shall be completed within 30 days of the receipt of the Protected Disclosure. However, this time period can be extended by the audit committee further as it may deem necessary.

Where any member of the Audit Committee is related, in any manner, to the Subject, whether directly or indirectly, the same shall be disclosed by him/her to the Audit Committee before the initiation of the proceedings. Also, the said member will not be a part of the investigation team.

In case, the member fails to disclose the relation and in the course of investigation the same is found out, then the member will be presumed to be equally involved in the matter with the Subject.

8. DECISION AND REPORTING

If the Protected Disclosure is resolved at the Compliance officer's Level, he/she is empowered to take such disciplinary or corrective actions as deemed fit, in consultation with the Chairman of the Company.

The Compliance Officer is required to make a quarterly presentation to the Audit Committee and the Board for all the cases that have been resolved at his/her level. In case, Audit Committee is of the view that any of the presented case should be investigated further, it has all the powers to re-open such case.

If an investigation done by the Audit Committee leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend such disciplinary or corrective action to the Board of Directors of the Company, as it may deem fit and the Board of Directors will be duty bound to take such actions.

Where in the course of investigation, it is found out that the Complainant had made false allegations of unethical and improper practice against the subject, then the Compliance officer or the Audit Committee may take strict disciplinary actions against the complainant in accordance with the rules, procedure and policies of the Company.

9. SECRECY/CONFIDENTIALLY

Every person involved in the investigation process shall maintain complete confidentiality of the matter and discuss only to the extent or with the persons required for the purpose of completing the investigation. However, the lessons learnt during the investigation can be shared with others, without naming the persons involved, to bring more awareness and for the overall benefit of the Company.

Where the above persons fail to maintain secrecy, he/she may be liable to such disciplinary actions as deemed fit.

10. REVIEW OF FUNCTIONING BY AUDIT COMMITTEE

The Audit Committee of the Company shall be responsible to review the effective and efficient functioning of the policy periodically. If the Committee is of the view that some changes should be made in the Policy, it can recommend such changes to the Board, which may take necessary actions to incorporate the changes in the Policy if it deems fit.

11. COMMUNICATION

The Policy will be available on the company's website www.swastika.co.in for the general reference of the Directors and Employees. Once, the same has been uploaded on the website, it will be presumed that it has been read by all the directors and employees.

12. RETENTION 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 period of 2 (two) years or such other period as specified by any other law in force, whichever is more.

13. 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. 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.

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