

APPROVAL OF VIGIL MECHANISM POLICY OF ASIANET NEWS NETWORK PRIVATE LIMITED

I. BACKGROUND:

Section 177(9) of the Companies Act, 2013 read with Rule 7 of Companies (Meeting of Board and its Power) Rules, 2014 inter alia states that every (a) listed company (b) company which accept deposits from public (c) company which have borrowed money from banks and financial institutions in excess of fifty crores rupees shall establish a vigil mechanism for the directors and employees to report genuine concerns or grievances. The vigil mechanism provides a channel especially to the employees of the Company to report to management, concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or ethics policy. Such mechanism is intended to provide for adequate security against victimization of employees who may use such mechanism and make provision for direct access to top level management of the Company.

ASIANET NEWS NETWORK PRIVATE LIMITED (“the Company”) are committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, honesty, integrity and ethical conduct. However, the possibility of malpractices occurring in an organization’s operations can never be ruled out and ignorance of this possibility demonstrates poor corporate governance with potentially disastrous consequences. Therefore, one of the cornerstones of good corporate governance is the existence of a mechanism which lays down the principles and standards that should govern the actions of the Company, its Directors and Employees and investigates complaints of malpractices with fairness.

The Company, thus being a private limited company, has borrowed funds in excess of Rupees Fifty Crores and in compliance with the aforesaid provisions of the Companies Act, 2013 and the rules made thereunder, the Company intends to establish a vigil mechanism for all the directors and employees of the Company.

II. DEFINITIONS:

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

Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Complainant means an employee/director who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

Directors mean Directors of the Company.

Employee means every employee including ex-employee, contractual employees and Directors of the Company.

Escalation Officer means the director nominated by the board of directors to play the role of audit committee.

Investigators means those persons authorized, appointed, consulted or approached by the escalation officer and the police.

Protected Disclosures means any communication made in good faith that discloses or demonstrates information that makes evidence to unethical or improper activity.

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.

Policy or This Policy means, “**VIGIL MECHANISM POLICY**”.

Unethical Behavior means

- a) An act which does not confirm or match to the approved standard i.e. social, ethical and professional behavior of the Company and all the stakeholders related to the Company;
- b) An act which leads to unethical business practices;
- c) Improper or unethical conduct;
- d) Breach of etiquette or morally offensive behavior;
- e) Any sort of harassment including mental or physical;
- f) Fraudulent financial accounting, auditing and reporting;
- g) Acts that are not in line with or violation of applicable company policy;
- h) Any unlawful act;
- i) Breach of internal compliance requirements and any activity related to it;
- j) Misappropriation/theft/embezzlement of company assets or property;
- k) Employee negligence;
- l) Health, safety, environment and security related;

III. SCOPE OF THIS POLICY:

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 complainant concerning its employees.

This policy 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 against people in authority and/or colleagues in general.

IV. ELIGIBILITY:

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

V. APPOINTMENT OF ESCALATION OFFICER:

The Board of Directors of the Company shall nominate any Director among themselves to play the role of Audit Committee and appoint such director as the Escalation Officer vide a resolution to be passed in board meeting itself. The Escalation Officer shall oversee the Vigil Mechanism, prepare report and must present his report to the Board at least once in a year or whenever required.

V. ROLE AND RESPONSIBILITY OF THE ESCALATION OFFICER:

The role and responsibility of Escalation Officer shall be as under:

- a) To conduct enquiry in fair and unbiased manner;
- b) To appoint investigating officer(s), if required;
- c) To maintain strict confidentiality;
- d) To recommend an appropriate course of action against the accused, if found guilty;
- e) To recommend an appropriate course of action against the complainant for false complaints.
- f) To report to Board in form of a report about the number of complaints received, investigated, redressed and un-resolved in a financial year.

VI. PROCEDURES:

- a) The vigil mechanism procedure is intended to be used for serious and sensitive issue.
- b) Protected Disclosures should be reported in writing through hard copy/e-mail by the Complainant as soon as possible after he/she becomes aware of the same and

should be typed or written in legible handwriting in English, Hindi or in the regional language of the place of employment.

- c) All Protected Disclosures concerning financial/accounting matters should be addressed to the Escalation Officer for inspection.
- d) In respect of all other Protected Disclosures shall be disclosed by the complainant to their respective Managers or Senior Personnel or Head of Departments and in case it involves the Managers or Senior Personnel or Head of Departments to the Escalation Officer through email addressed **“hari.velupillai@hipe.in”**.
- e) Protected Disclosure should be forwarded under a covering letter signed by the complainant as per Annexure –A. The first recipient viz. Managers/Senior Personnel/Head of Departments/Escalation Officer of the Company as the case may be shall detach the covering letter bearing the identity of the complainant and forward only the Protected Disclosure to the investigators for investigation.
- f) Protected Disclosures should be factual and not speculative or in the nature of conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of concern and the urgency of an investigative procedure.
- g) The Managers or Senior Personnel or Head of Departments shall immediately forward such compliant to the Escalation Officer as the case may be.
- h) The Managers or Senior Personnel or Head of Departments may inquire in respect of such complaint and after preliminary inquiry, if required, shall report the same to Escalation Officer.

VII. INVESTIGATION:

- a) Escalation Officer shall appropriately and expeditiously investigate all such complaints received. In this regard, Escalation Officer, if the circumstances so suggest, may appoint a senior executive or a committee to investigate into the matter and prescribe the scope and time limit, therefore.
- b) Escalation Officer shall have the right to outline detailed procedure for an investigation. Where the Escalation Officer has appointed a senior executive or a committee for investigation, they shall mandatorily adhere to scope and procedure outlined by him for investigation.
- c) Escalation Officer, or as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other person(s), as he may deem appropriate for the purpose of conducting investigation under this policy.
- d) The outcome of the investigation may or may not support the conclusion of the Complainant that an improper or unethical act was committed
- e) The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and investigation
- f) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation
- g) Subjects shall have a duty to co-operate with Officer, Committee or the Escalation Officer or any of the investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections applicable under the available laws.
- h) Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- i) Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- j) Subjects have a right to be informed of the outcome of the investigation and an opportunity of being heard before the final report is being prepared by the Escalation Officer.
- k) After completion of investigation and all discussions, the final report shall be prepared by the Escalation Officer and the Board shall consider the same. After considering the report, the Escalation Officer shall take decision, which shall be

final and binding. If the Escalation Officer is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then he may-

- Recommend to Board to reprimand, take disciplinary action, impose penalty/punishment, order recovery of losses/damage to the Company when any alleged unethical & improper practice or wrongful conduct of any employee is proved;
 - Recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct;
 - Any other action as he may deem fit;
- i) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.
 - j) The Complainant, Subject, Escalation Officer and every other person engaged or involved in this process shall maintain complete confidentiality/secretcy of the matter and shall not discuss the matter in any informal/social gatherings/meetings and with any colleagues or others.

VIII. PROTECTION:

- a) It is hereby declared that there will be no adverse personnel action, victimization, retaliation or discrimination against the Complainant. If a Complainant has been victimized, discriminated or retaliated against, he/she may lodge a written complaint to the Escalation Officer or Board. Such complaints shall be investigated as deemed fit by the Escalation Officer or Board of the Company.
- b) If Subject is found to have taken adverse personnel action directly or indirectly, victimized or discriminated or retaliated against Complainant, the Escalation Officer may recommend action against such individual.
- c) The above protection against victimization, retaliation or discrimination will also be available to a person who offered evidence or made written statements or otherwise participated in the investigation process.

IX. PRECAUTIONS:

It may be noted that an individual who knowingly makes frivolous, misleading or false complaints, will not be protected by this Policy and also can be penalized, as per the decision of the escalation officer in consultation with the Board. This will also apply to those individuals, who make false statements or give false evidence during the investigations. It may be noted that this Policy is mainly concerned with the redressals of indoor management along with all the employees and directors for various offences in the Company.

X. AMENDMENTS:

This Policy may, from time to time, be modified or amended, as deemed fit by the Board or Escalation Officer.

XI. DISCLOSURES:

This Policy shall be disclosed by the Company on its website, if any or Board's Report.