

## **ANNEXURE B**

### **SOBHA LIMITED**

#### **VIGIL MECHANISM**

##### **1. PURPOSE:**

Sobha Limited (“Sobha”) intends that its officers and employees observe high standard of business, professional and personal ethics in conduct of their duties and responsibilities. As employees and representatives of the Company, they must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

This policy is formulated to provide mechanism to employees to access the Vigil Mechanism of the Company and to disclose unethical and improper practices or any other alleged wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse personnel action against such employees.

##### **2. APPLICABILITY:**

This policy applies to all employees of Sobha including those in Subsidiary and Associate Companies of Sobha.

##### **3. SCOPE:**

The Policy intends to cover following information on suspected unethical and improper practices or wrongful conduct, which employees in good faith believes to exist:

- Violation of any law or regulations, including but not limited to corruption, bribery, theft, fraud, coercion and willful omission.
- Pass back of Commission / benefit or conflict of interest.
- Procurement frauds.
- Mismanagement, Gross wastage or misappropriation of company funds / assets.
- Manipulation of Company data / records.
- Stealing cash / company assets; leaking confidential or proprietary information.
- Unofficial use of Company’s material / human assets.
- Activities violating Company policies including Code of Conduct.
- A substantial and specific danger to public health and safety.
- An abuse of authority.

- An act of discrimination (religion, caste, race, gender or language) or sexual harassment.

The above list is only illustrative and should not be considered as exhaustive.

#### **4. Chief Vigilance Officer:**

The head of Internal Audit function shall act as the Chief Vigilance Officer of the Company.

#### **5. Procedure:**

Reporting of allegations of suspected unethical activities are encouraged to be made in writing in **Form 1 annexed to this Policy** so as to assure a clear understanding of the issues. Such reports should be factual rather than speculative and must contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures.

- a. Any employee who sees or observes any unethical and improper practices or alleged wrongful conduct shall make a written complaint in **Form 1 annexed to this Policy** to the Chief Vigilance Officer as soon as possible but not later than 30 consecutive calendar days after becoming aware of the same and shall furnish as much details and evidence as possible.
- b. The employees also have the right to directly approach the Audit Committee in this regard.
- c. The Chief Vigilance Officer upon receipt of a written complaint shall inform the Audit Committee within a period of 2 working days.
- d. The Chief Vigilance Officer and the members of the Audit Committee are entrusted with various functions under this Policy including receipt of disclosures and investigation of matters.
- e. The Chief Vigilance Officer and the members of the Audit Committee may when he / it deems fit, ask appropriate interested parties in particular and ask such of the employees of the Company, as it considers appropriate to be present during the investigation.
- f. The Chief Vigilance Officer / Audit Committee shall appropriately and expeditiously investigate all complaints received.
- g. The Chief Vigilance Officer / Audit Committee shall have right to call for any information / document and examination of any employee of the Company or other person(s) as it may deem appropriate for the purpose of conducting investigation under this policy.
- h. The Chief Vigilance Officer, after proper scrutiny, will ascertain the correctness and truthfulness of the complaint and shall recommend necessary corrective as well as preventive measures to the Audit Committee as follows :-
  - i. Closing the complaint if wrongful conduct remains largely unsubstantiated.
  - ii. If the complaint is found correct on investigation, disciplinary action against concerned persons be suggested.
  - iii. To overcome system weakness / making it more stringent, recommending installation of other policies, codes or procedures.

After considering the report, the Audit Committee shall determine the cause of action and may order for remedies which may inter alia include:

- i. Revision of the policies and procedures of the Company to reduce the risk of reoccurrence.
- ii. Suggest action against concerned persons.

The Chief Vigilance Officer, on the basis of the recommendation of the Audit Committee, shall take appropriate action immediately.

## **5. Protection**

No discrimination, harassment, victimization or any other unfair employment practice like retaliation, threat or intimidation of termination /suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like will be adopted against the complainant(s).

## **6. Anonymous Allegations**

This policy requires individuals making a complaint to furnish their details. Concerns expressed anonymously WILL NOT BE usually investigated BUT subject to the seriousness of the issue raised, the Chief Vigilance Officer / Audit Committee may initiate an investigation.

## **7. Confidentiality**

The Company will treat all such disclosures in a sensitive manner and will endeavour to keep the identity of an individual making an allegation confidential. However, the investigation process may inevitably reveal the source of the information and the individual making the disclosure may need to provide a statement which cannot be kept confidential if legal proceedings arise.

## **8. Untrue / Malicious / Vexatious Allegations**

If an individual makes an allegation, which is not confirmed by subsequent investigation, and the investigation shows that an individual has made malicious or vexatious allegations for personal leverage, and particularly if he or she persists with making them, the Chief Vigilance Officer / Audit Committee may recommend taking of disciplinary action against the individual concerned.

## **9. Notification**

All departmental heads are required to notify and communicate the existence and contents of this policy to the employees of their department. The new employees shall be informed about the policy by the HR department and statement in this regard should be periodically submitted to the Chief Vigilance Officer for placing it before the Audit Committee.

The Departmental Heads shall inform the Chief Vigilance Officer on a quarterly basis any issues falling within the scope of this Policy and if no issues have been raised, submit a confirmation to this effect to the Chief Vigilance Officer of the Company who in turn shall place it before the Audit Committee.

The Audit Committee, after proper scrutiny, will ascertain the correctness and trueness of the complaint and shall recommend necessary corrective as well as preventive measures for the said complaint as follows:-

- i. Closing the complaint if wrongful conduct remains largely unsubstantiated.
- ii. If the complaint found correct on investigation, disciplinary action against concerned persons be suggested.
- iii. To overcome system weakness/making it more stringent recommending installation of other policies, codes or procedures.

This policy as amended from time to time shall be made available on the intranet and the website of the Company.

#### **11. CONTACT DETAILS**

The contact details of the Vigil Mechanism of the Company are as follows:

[whistleblower@sobha.com](mailto:whistleblower@sobha.com)

#### **12. SUPERSESSION**

This version of the Vigil Mechanism is approved by the Board of Directors at their meeting held on August 08, 2014 and shall supersede the Whistle Blower Policy approved by the Board of Directors on July 29, 2009.

**SOBHA LIMITED**  
**FORM 1**  
**FORMAT OF REPORTING**  
**(Annexure to the Vigil Mechanism)**

*All the fields in this format mandatory unless specifically indicated*

<b>Employee Number</b>		<b>Date</b>	
<b>Name</b>		<b>Designation</b>	
<b>Department</b>		<b>Location</b>	

Brief particulars of an event falling under the purview of the Vigil Mechanism*	
Names of the employees responsible for the acts	1 2 3
Whether documentary evidence is available*	Yes / No
Whether the event has been informed to your immediate supervisor in writing? **	Yes / No

I hereby declare that I have read and understood the Vigil Mechanism applicable in Sobha Limited and the further declare that the facts stated above are true. I agree to produce the necessary documentary evidence to support the issue raised by me during the course of the investigation.

<b>Name</b>	
<b>Signature</b>	

\* Insert additional sheets if required. \*\* Not mandatory.