



Policy	Vigil Mechanism & Whistle Blower Policy	Creation Date	15 <sup>th</sup> May 2022
Department	Company Secretarial & Compliance	Approval Date	25 <sup>th</sup> May 2022
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**V-Mart Retail Limited**  
**Vigil Mechanism & Whistle Blower Policy**  
**Version: 3.0**  
**May 2022**



Document Revision History		
Version	Release date	Change description <i>(in Brief)</i>
1.0	2013	Documentation and approval of Policy
2.0	2015	Change in CFO of the Company
3.0	2022	Revision in Policy with respect to: <ul style="list-style-type: none"> <li>• Change in Chairperson of the Audit Committee</li> <li>• Change in E-mail IDs</li> <li>• Scope enhancement of the Policy from employees to all stakeholders including vendors, customers, suppliers etc.</li> <li>• Addition in Definition Section</li> <li>• Additional Communication Channels and Reporting Procedures</li> </ul>

Document Control			
<b>Document Name</b>	V-Mart Vigil Mechanism & Whistle Blower Policy		
<b>Version No.</b>	3.0		
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<b>Review Period</b>	At least once in 2 years		
<b>Security Classification</b>	Internal		
<b>Distribution</b>	Stakeholders (Employees, Directors, Suppliers, Service Providers) of V-Mart Retail Limited		
	<b>Name</b>	<b>Role</b>	<b>Signature</b>
<b>Approval</b>	As per Board Resolution dated 25 <sup>th</sup> May 2022.		

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## 1. Introduction & Objective

V-Mart Retail Limited (V-Mart) believes in the conduct of the affairs of its various constituents fairly and transparently by committing the highest standards of professionalism, honesty, integrity and ethical behaviour. Following this, **the [Company has a Code of Conduct, available on the website](#), which lists down the governing principles for Employees, Associates, Directors and the Organization.**

In line with this commitment, **This Vigil Mechanism/Whistle Blower Policy (“the Policy”) has been formulated to provide a mechanism for all stakeholders, including Directors, Employees, Customers, Vendors, Associates and Suppliers of the Company** to raise concerns about suspected frauds, any violations of legal/regulatory requirements or code of conduct/policy of the Company, incorrect or misrepresentation of any financial statements and reports, etc.

The purpose of this Policy is to encourage V-Mart’s stakeholders who have concerns about suspected misconduct to come forward and report any actual or potential unethical practices in violation of the code of conduct or the applicable laws, without fear of retaliation, punishment or unfair treatment.

## 2. Scope of Policy

The Vigil Mechanism and Whistle-blower Policy **sets out the procedure to be followed when making a disclosure of a Reportable matter** (as subsequently defined in the policy). The Vigil Mechanism is also aimed at complying with various related regulations, including the Companies Act (India), 2013, Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), 2015, The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, and other applicable laws and related amendments.

**Any stakeholder with knowledge of and having verifiable information** or material about any violation or indulging in any illegal or unethical acts by any Employee or Director of the Company **is entitled to make a Protected Disclosure** as per the terms of this Policy.

The policy applies to all employees and Directors regardless of their location. Any proven violations shall result in appropriate disciplinary action as per the Code of Conduct and applicable legal provisions. The Employees are required to familiarize themselves with the provisions and available channels under this policy and can seek advice from the members of the **V-Mart Central Ethics Committee**.

## 3. Definition & Glossary

- 3.1 “Alleged wrongful conduct”** shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- 3.2 “Audit Committee”** means a Committee constituted by the Board of Directors of the Company under the Companies Act 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereafter.
- 3.3 “Board”** means the Board of Directors of the Company.
- 3.4 “Company”** means the V-Mart Retail Limited.

- 3.5 “Code”** means Code of Conduct for Directors and Senior Management Executives adopted by V-Mart Retail Limited.
- 3.6 “Director”** means director on the Board of Directors of V-Mart Retail Limited/Company.
- 3.7 “Disciplinary Action”** means any action that can be taken by the appropriate internal authority on the completion of/during the investigation proceedings, including but not limited to, a warning, recovery of financial losses incurred by the Company, suspension/dismissal from the services of the Company or any such action as deemed fit considering the gravity of the matter.
- 3.8 “Employee”** means all the present employees of the Company and includes consultants, associates, interns and trainees of the company.
- 3.9 “Good Faith”** means the nature of a communication by a stakeholder reporting any unethical practices or any other alleged wrongful conduct in the right spirit. Good Faith shall be deemed lacking when such person does not have personal knowledge on a factual basis for the communication or where such person knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, or false.
- 3.10 “Investigators”** mean those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee or the Vigilance and Ethics Officer in consultation with the committee members, and includes the Auditors, Secretarial Auditor of the Company, Law Enforcement Authorities and other Investigating Agency(s), if appointed, in terms of this Policy.
- 3.11 “Protected Disclosure”** means a disclosure of reportable matter by any stakeholder through written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity concerning the Company.
- 3.12 “Stakeholders”** means Directors, Employees, Customers, Vendors, Associates, Suppliers or any other person with whom the Company has financial or commercial dealings.
- 3.13 “Subject”** means a person or group of persons against or concerning whom a Protected Disclosure is made or evidence gathered during an investigation.
- 3.14 “Vigilance and Ethics Officer”** means an officer appointed to receive Protected Disclosures from the Whistle-Blowers, maintaining records thereof, placing the same before the Audit Committee or its nominated committee for its disposal and informing the Whistle Blower of the result thereof. The Chief Financial Officer (CFO) of the Company shall act as Vigilance and Ethics Officer of the Company to handle complaints and resolution process of Protected Disclosures.
- 3.15 “V-Mart Central Ethics Committee”** means the Executive Committee set up by the Company to impart the Business Ethics within the organization and facilitates in providing a single communication channel to report any kind of complaints and matters related to Company Values, Code of Conduct, Loss Prevention, prevention of sexual harassment etc.
- 3.16 “Whistle Blower” or “Complainant”** is an employee/director/stakeholder or collectively a group of such people who make a Protected Disclosure under this Policy.

#### 4. Reportable Matters

Stakeholders are eligible to make Protected Disclosures under the policy through the channels provided by this Policy for raising issues and reportable matters covered under this Policy. The Policy covers malpractices, events, and alleged wrongful conduct which have taken place/are suspected to take place including but not limited to the following –

- **Deliberate Breach of contract**
- **Negligence causing substantial and specific danger to public health and safety**
- **Manipulation of company data/records/accounts/reports**
- **Financial irregularities, including fraud or suspected fraud or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports or Deficiencies in Internal Control and checks**
- **Any unlawful act** whether Criminal/ Civil
- **Pilferage of confidential/propriety information**
- **Deliberate violation of law/regulation**
- **Misappropriation of funds/assets**
- **Deliberate violation of Rules/Code of Conduct/Policy**
- **Misuse or misappropriation of the Company's assets**
- **Gross waste of or misuse or misappropriation of the Company's funds**
- **Any Leak of Unpublished Price Sensitive Information (UPS)**
- **Any matter or activity on account of which the interest of the Company is affected** and may be prescribed by the Audit Committee/ Vigilance and Ethics Officer/ Central Ethics Committee

However, this policy neither releases employees/directors 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.

Stakeholders are requested to note that unless there is deliberate wrongful conduct, **complaints such as personal grievances, operational issues or delays in the regular course of business**, administrative matters, professional development issues, errors in salary processing, delays in vendor payments, customers refunds and returns **shall not be considered as Reportable Matters** for purposes of this Policy, and **will only be directed to the respective appropriate channels for resolution.**

## 5. Rights & Obligations – Whistle Blower

- a. **Every employee of the Company is expected to promptly report to the management any actual or possible violation of the V-Mart Code of Conduct** for Employees or any other unlawful or unethical or improper practice or act or activity concerning the Company he/she is employed in.
- b. The Whistle Blower's role is that of a reporting party with reliable information. **They are not required or expected to act as investigators or finders of facts**, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- c. **Whistle-Blowers should not act on their own in conducting any investigative activities**, nor do they have a right to participate in any investigative activities other than as requested by the Vigilance & Ethics Officer or the Chairman of the Audit Committee or the Investigators.
- d. **Protected Disclosure will be appropriately dealt with by the Vigilance & Ethics Officer** or the Chairman of the Audit Committee, as the case may be.



- e. No manager, director, department head, or any other employee with authority to make or materially influence significant personnel decisions shall take or recommend an adverse personnel action against an employee in knowing retaliation for disclosure of information, made in good faith, about alleged wrongful conduct.
- f. **The Company has zero tolerance against any discrimination, harassment, victimization or any other unfair practice against Whistle Blowers.** No unfair treatment will be meted out to a Whistle Blower for making a Protected Disclosure under this Policy. To the extent applicable, complete protection will be given to Whistle Blower against any unfair practice to obstruct the Whistle Blower's right to continue to perform his/her duties including making further Protected Disclosure. **Any other employee or director assisting in the investigation** shall also be protected to the same extent as the Whistle Blower.

**Any violation of this clause may be reported to the Chairperson of the Audit Committee,** who shall get it investigated and recommend suitable action to the management or the Board, based on the findings in the investigation report.

- g. **The Company will take appropriate steps to minimize difficulties which the Whistle Blower may experience** as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in the criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

## 6. Reporting Procedure

Available communication channels for raising concerns, queries and reporting complaints are:

- Immediate Reporting Manager/ Skip-Level Manager
- Respective Human Resource Personnel
- Reporting Channels prescribed by the Company to Stakeholders

Stakeholders	Responsibility	Primary Contact Details
Investors	Compliance Officer	Company Secretary & Compliance Officer Email: <a href="mailto:cs@vmart.co.in">cs@vmart.co.in</a>
Vendors or Suppliers	MD Office	MD Desk Email: <a href="mailto:info@vmart.co.in">info@vmart.co.in</a>
Customers	Marketing Head	Marketing Head Email: <a href="mailto:customercare@vmart.co.in">customercare@vmart.co.in</a>

The Stakeholders can report the Protected Disclosure of any violation to the:

**Vigilance and Ethics Officer of the Company** at [vigilance.officer@vmartretail.com](mailto:vigilance.officer@vmartretail.com)

The hard copies of protected disclosures may also be sent to the Corporate Office:

**Vigilance & Ethics Officer / Chief Financial Officer**

**V-Mart Retail Limited**

**Plot No. 862, Udyog Vihar Phase V, Gurugram – 122016**

**Haryana, India**

If for any reason the Whistle Blower is not comfortable making a Protected Disclosure to the above channels, in exceptional cases a Protected Disclosure may also be addressed to the Chairperson of the Audit Committee at care@vmart.co.in

## 7. Guidance for Reporting

- a. **If a protected disclosure is received by any executive of the Company other than the Vigilance & Ethics Officer** or Chairperson of the Audit Committee, the same **should be forwarded to the respective authorities** for further appropriate action.
- b. **Protected Disclosures should be reported in writing** to ensure a clear understanding of the issues raised and should either be typed or written in legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- c. The **Protected Disclosure should be forwarded under a covering letter** which shall bear the identity of the Whistle Blower. The Vigilance & Ethics Officer or Chairperson of the Audit Committee shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- d. **Protected Disclosures should be factual and not speculative** or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- e. The Vigilance and Ethics Officer/ Nominated Investigator/Chairperson of the Audit Committee, if deems fit, **may call for further information or particulars** from the Whistle Blower.
- f. **Disqualification:** While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, **any intentional abuse of this protection will warrant disciplinary action/legal Action.** Whistle-Blowers who lodge complaints, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from lodging further complaints under this Policy. In respect of such Whistle-Blowers, the Company would reserve its right to take/recommend appropriate disciplinary action/Legal Action as permissible under law.

## 8. Investigation Procedure

- a. On receipt of the Protected Disclosure, the Vigilance and Ethics Officer/Nominated Investigator by Vigilance & Ethics Officer/Chairperson of the Audit Committee, as the case may be, shall **make a record of the Protected Disclosure** and also ascertain from the Whistle Blower whether he was the person who made the Protected Disclosure or not.
- b. The Vigilance and Ethics Officer/Nominated Investigator by Vigilance & Ethics Officer/Chairperson of the Audit Committee may extend the responsibility of investigating the complaint received to the [respective governance functions & channels under the V-Mart Ethics Framework](#).
- c. Appropriate care must be taken to **keep the identity of the Whistle Blower confidential.**
- d. **Investigators are required to conduct a process towards fact-finding and analysis,** Investigators shall derive their authority and access rights from the Vigilance Officer/Audit Committee when acting within the course and scope of their investigation.
- e. Technical and other resources may be drawn upon as necessary to augment the investigation. All **Investigators shall be independent and unbiased** both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and



professional standards.

- f. **All eligible Reportable Matters under this Policy and received with Protected Disclosures will be thoroughly investigated** by the Vigilance & Ethics Officer/Chairperson of the Audit Committee or of the Company who will investigate/ oversee the investigations under the authorization of the Audit Committee. Investigations will be launched only after a **preliminary review by the Chairman of the Audit Committee or by Vigilance & Ethics Officer** as the case may be, which establishes that:
- the alleged act constitutes an improper or unethical activity or conduct, and
  - the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of the improper or unethical activity or conduct.
- g. If allegation does not fall under purview of Protected Disclosure, then same would be redirected to the right forum. For e.g. – If complaint is related to sexual harassment, same will be forwarded to the Complaints Committee and would be dealt as defined under. – Policy to Prevent Sexual Harassment at the Workplace, If complaint is related to a personal grievance, e.g. appraisal rating, promotion etc, it will be forwarded to the HR Head.
- h. The Chairperson of the Audit Committee or Vigilance & Ethics Officer may at his discretion, **consider involving any other Investigators/Cross-Functional team** in the investigation.
- i. The **decision to conduct an investigation taken by the Chairperson of the Audit Committee or Vigilance & Ethics Officer** is by itself not an accusation and is **to be treated as a neutral fact-finding process**. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- j. **The identity of a Subject and the Whistle Blower will be kept confidential** to the extent possible given the legitimate needs of law and the investigation.
- k. **The investigation shall be completed normally within 60 days of the receipt of the Protected Disclosure**. In case the investigation is not completed within the specified time, the Vigilance & Ethics Officer/Investigating Authority shall inform the Whistleblower along with the reasons and expected closure timelines.
- l. **If the investigation leads to the conclusion** that an illegal/improper/unethical act has been committed, appropriate disciplinary or corrective action may be initiated against the Subject(s). The disciplinary action may include wage freeze, suspension, recovery, claw-back, termination of employment/contract, punitive legal action or any other action as per the Code of Conduct or directions of the Chairperson of the Audit Committee. Any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation under this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- m. **The Outcome and Progress** of the Investigation may be communicated to the Whistle Blower in a manner as may be prescribed by the Vigilance & Ethics Officer.

## 9. Other Governing Principles

### 9.1 Rights & Obligations - Subject

- a. **Subjects will generally be informed of the allegations** at the outset of a formal investigation and have opportunities for providing their inputs during the investigation. Subjects shall have a duty to co-operate with the Chairperson of the Audit Committee or Vigilance & Ethics Officer or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

- b. 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 Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject are not sustainable, then the Company may see a reason to reimburse such costs.
- c. 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.
- d. Unless there are compelling reasons not to do so, Subjects will be **given the opportunity to respond to material findings** contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there are substantiating pieces of evidence in support of the allegation.
- e. Subjects have a right to be **informed of the outcome of the investigation** unless there are compelling reasons for not doing the same. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- f. The **identity of the Subject(s) shall be kept confidential** to the extent possible unless required by the law and for performing the investigation.

## 9.2 Periodic Reporting

The Vigilance & Ethics Officer shall submit a report to the Chairman of the Audit Committee regularly about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

## 9.3 Secrecy & Confidentiality

The Whistle Blower, Vigilance and Ethics Officer, Members of the Audit Committee, the Subject(s) and everybody involved in the process shall:

- Maintain confidentiality of all matters under this Policy;
- Discuss only to the extent or with those persons as required under this policy for completing the process of investigations on the need to know basis;
- Not keep the papers unattended anywhere at any time;
- Keep the electronic mails/files under the password.

## 9.4 Communication to Employees and Stakeholders

A whistle Blower policy cannot be effective unless it is properly communicated to Stakeholders including employees. The Policy shall be transparently made available on the official website of the Company and the Organizational Learning & Development Platform.

## 9.5 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 minimum period of 4 (four) years or such other period as specified by any other law in force, whichever is more.

## 9.6 Policy Amendment

The Board of Directors with the concurrence of the Audit Committee reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. The revised policy shall be made available on the website as & when amended.