

**WHISTLE BLOWER & VIGIL MECHANISM
POLICY**

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WHISTLE BLOWER & VIGIL MECHANISM POLICY

1. Objective and Purpose

- 1.1 Sprng Energy Private Ltd. and its group companies (including subsidiaries, associates), hereinafter referred to as “**Sprng**”, are committed to adhere to the highest standards of ethical, moral and legal conduct in their business operations, wherever it operates across the world.
- 1.2 The provisions¹ of the Companies Act, 2013 (“**Act**”) the Companies (Meetings of Board and its Powers) Rules, 2014² (“**Rules**”) requires every listed company, companies which accept deposits from the public and companies which have borrowed money from banks and public financial institutions in excess of fifty crore rupees to establish a vigil mechanism for Directors and employees to report their genuine concerns about any “Misconduct”.
- 1.3 Sprng’s objective has been to improve integrity levels within the organization and thus it has formulated this Whistleblower & Vigil Mechanism Policy (“the **Policy**”) with a view to provide a mechanism for the Designated Persons to report or raise concerns in connection with any “Misconduct”, without fear of punishment or unfair treatment at the hands of the management of Sprng, with the assurance that all such reported breach will be treated as confidential and promptly investigated and such Designated Person shall be provided adequate safeguard against any kind of victimization.
- 1.4 While the provisions under the Act and Rules do not apply to Sprng, it has taken steps to constitute an Ethics Committee to oversee the vigil mechanism and acts and omissions, which constitute “Misconduct” under the Policy;
- 1.5 The purpose of this Policy is to
 - (a) Make all Designated Persons understand acts and omissions, which constitute “Misconduct” under the Policy;
 - (b) Set out the expected behavior, response and conduct by Designated Persons with regard to any “misconduct”
 - (c) Provide an internal mechanism for investigating and remedying any reported acts and omissions of “misconduct”.
 - (d) Set out steps for recording, complying and adopting the procedures set out under the Policy.
- 1.6 To maintain these standards, Sprng encourages Designated Persons to report or express their concerns in good faith about any actual or suspected illegal, unethical or inappropriate activity which qualifies as “Misconduct” under this Policy.

2. Scope and applicability

- 2.1 The Policy applies to all Designated Persons who shall have responsibility to comply with the Policy to ensure that Sprng can adhere to the highest standards of ethical, moral and legal conduct in its business operations.

¹Section 177(9)

² Rule 7

2.2 The undermentioned terms used in the Policy shall have the meaning ascribed below:-

- (a) **“Designated Persons”** means all individuals working for or acting on behalf of Sprng, at all levels and grades, including directors, executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, or any other person associated with Sprng.
- (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, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- (c) **“Ethics Committee”** are the persons nominated/appointed to conduct detailed investigation of any reported act or omission of Misconduct by any Designated Person
- (d) **“Misconduct”** means and includes interalia the following: -
 - (i) Deliberate Violation of any laws, regulations or any policies adopted by Sprng
 - (ii) Actual or suspended Fraud
 - (iii) Unethical behavior
 - (iv) Any criminal activity,
 - (v) Health and safety risks,
 - (vi) Damage to the environment
 - (vii) Breach of legal or contractual obligations
 - (viii) Abuse of authority
 - (ix) Manipulation of company data/records
 - (x) Financial irregularities, including fraud or suspected fraud
 - (xi) Deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
 - (xii) Questionable internal accounting controls and auditing
 - (xiii) Wastage and/or Misappropriation of company funds/assets
 - (xiv) Breach of Sprng policies or failure to implement or comply with any Sprng policies
 - (xv) Negligence causing substantial and specific danger to public health and safety
 - (xvi) Any unlawful act, civil or criminal
 - (xvii) Pilferage of confidential/propriety information
 - (xviii) Kickbacks (A *kickback* is the payment to a recipient as compensation or reward for providing favorable treatment or services to another party)
 - (xix) Any other unethical, biased, favored, imprudent event
- (e) **“Policy”** means this “Whistleblower Policy & Vigil Mechanism” adopted by Sprng
- (f) **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that evidences a Misconduct.
- (g) **“Whistleblower”** is the Designated Person who makes any Protected Disclosure of any act or omission of Misconduct under this Policy.

3. Responsibilities of Designated Persons

- 3.1 The prevention, detection and reporting of Misconduct under this Policy are the responsibility of all those working for Sprng or under Sprng’s control. Designated Persons are required to avoid any activity that might lead to or suggest a breach of this Policy.
- 3.2 Designated Persons must notify to the Ethics Committee of Sprng at ethics@sprngenergy.com as soon as possible, if the Designated Person believes or suspects that a breach of or conflict with this Policy has occurred or may occur in the future.
- 3.3 Every Designated Person must ensure that he / she has read and understood this Policy and shall comply with this Policy. If any Designated Person has any doubts or concerns, he / she should contact the Ethics Committee of Sprng at ethics@sprngenergy.com .
- 3.4 All Designated Persons asked to provide information, or otherwise participate in an investigation have a duty to fully cooperate with the investigators. Such persons should refrain from discussing or disclosing the investigation or their testimony with anyone not connected to the investigation. Under no circumstances, should such person discuss with the subject, the nature of the evidence requested or provided or the testimony given to Ethics Committee.

4. Disqualifications

- 4.1 While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant stringent Disciplinary Action.
- 4.2 Protection under this Policy would not mean protection from Disciplinary Action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.
- 4.3 Whistleblowers, who make any Protected Disclosures which have been subsequently found to be malafide, frivolous or malicious shall be liable to appropriate Disciplinary Action as may be decided or recommended by the Chairman of Ethics Committee.

5. Ethics Committee & Procedure for Reporting Misconduct

- 5.1 Sprng has formed an Ethics Committee to ensure compliance with the provisions of the Policy.
- 5.2 Every reporting of any act or omission of “Misconduct” shall be as per terms and conditions of the Policy. The disclosure made in terms of this Policy by any Whistleblower should be sealed in an envelope marked and can be submitted by hand-delivery, courier or by post at the following address: -

[.....]
Chairman,
Ethics Committee,
Address:
[.....]
—

- 5.3 The reporting of any act or omission of “Misconduct” by any Whistleblower can also be sent to the Ethics Committee of Sprng at vigilance ethics@sprngenergy.com

- 5.4 The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistleblower
- 5.5 While there is no specific format for reporting any act or omission of “Misconduct” the Whistleblower must mention the following details :
- (a) Name, address and contact details of the Whistleblower;
 - (b) Brief description of the act or omission of “Misconduct” giving the names of persons involved;
 - (c) Specific details such as time and place of occurrence are also important
- 5.6 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 and the urgency of a preliminary investigative procedure.
- 5.7 If a Protected Disclosure is received by any Designated Person other than the Chairman of the Ethics Committee, the same should be forwarded to the Chairman of the Ethics Committee for further appropriate action. Appropriate action must be taken to keep the identity of the Whistleblower confidential.
- 5.8 If any Designated Person is faced with a doubt on the applicability of the Policy or its interpretation or is unsure whether a particular act constitutes Misconduct or has any other queries or needs any clarification, the person should send its query at to the Ethics Committee

6. Investigations by Ethics Committee

- 6.1 The Ethics Committee shall acknowledge receipt of all reports from a Whistle Blower reporting any alleged act or omission of Misconduct, as soon as practical (preferably within 15 days of receipt) and take the following actions: -
- (a) Conduct an investigation to determine whether the allegations (assuming them to be true only for this determination) made in the report constitute a Misconduct under the Policy. The objective of such an investigation would be to determine the facts, through interviews with concerned participants and/or review of documents.
 - (b) A written demand shall be made for information, records etc. that is reasonably related to the alleged offence, including, without limitation, copies or access to all records relating to the alleged offence (such as telephone records, Internet service records and/or other records stored on computer hard drives or other information storage equipment); and/or
 - (c) Designated Person shall have a right to file a written statement made setting out in detail all the facts and circumstances of which such a Designated Person is aware with respect to the alleged offence. Each Designated Person shall co-operate with the investigation team and promptly respond to all requests for information
 - (d) The investigation may involve study of documents and interviews with various individuals. Any person required to provide documents, access to systems and other information by the Ethics Committee for such investigation shall do so. Individuals with whom the Ethics Committee requests an interview for the purposes of such investigation shall make

themselves available for such interview at reasonable times and shall provide the necessary cooperation for such purpose.

- (e) The Ethics Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Board as soon as practically possible and in any case, not later than 90 days from the date of receipt of the report or such time granted by the Board of Sprng.
 - (f) In case it is determined that the allegations do not constitute a Misconduct, the same shall be recorded with reasons and communicated to the Whistleblower;
 - (g) In case it is determined that the allegations constitute a Misconduct under the Policy, and the same is required by law to be dealt with under any other mechanism, the Ethics Committee shall refer the act or omission to the appropriate authority under such mandated mechanism and seek a report on the findings from such authority. In the event of conduct of any criminal or regulatory proceedings, the Designated Persons shall co-operate with relevant authorities.
 - (h) The Ethics Committee shall, have the discretion to recommend appropriate Disciplinary Action, including corrective actions (if any), suspension and termination of service of such defaulting Designated Person(s), whose failures have contributed to the commission of misconduct and will ensure that appropriate action is taken to recover losses
 - (i) All internal investigations shall follow principles of natural justice and shall ensure that the relevant Designated Person is provided with an opportunity to make his/her case before the investigation team.
 - (j) Ethics Committee shall be responsible for ensuring that the investigation process is fair and transparent and will provide sufficient and fair opportunity to the Whistleblower to prove/justify his/her stand, including a personal hearing, as may be required, and shall ensure complete fairness in the process of investigation.
 - (k) Whilst it may be difficult for the Ethics Committee to keep the Whistleblower regularly updated on the progress of the investigations, the Whistleblower will be kept informed of the result of the investigations and its recommendations, subject to any obligations of confidentiality.
- 6.2 Any Designated Person who breaches this Policy will face Disciplinary Action and the violation will be regarded as a serious matter and shall result in Disciplinary Action under the Policy.
- 6.3 The Ethics Committee will make recommendations for taking appropriate measures in case any frivolous or bad faith allegations are made by any Whistle blower or in case any Designated Person is cleared of allegations post investigations.
- 6.4 It is clarified that the report prepared by the Ethics Committee, shall be kept confidential and shall be shared only with such persons who have a “need to know” under applicable law or Sprng policies.
- 6.5 Requests for confidentiality or anonymity by Designated Persons will be honored to the extent possible, within the legitimate needs of law and the investigation. Such persons are entitled to protection from retaliation for having participated in an Investigation

The identity of the subject of any report made by any Designated Person should be maintained in confidence to the extent possible, given the legitimate needs of law and fairness in investigation.

7. Whistle Blower Protection

7.1 Sprng encourages openness and will support the Designated Person(s) who raise genuine concerns in good faith under this Policy. Sprng is committed to ensure that no one suffers any detrimental treatment as a result of reporting their suspicion in good faith that an actual or potential act of Misconduct has taken place or may take place in the future. If any Designated Person believes that he / she has suffered any such treatment, he / she should inform the Ethics Committee of Sprng immediately. Sprng shall provide for adequate safeguard against victimisation of persons who use such mechanism and make provision for direct access to the chairperson of the Ethics Committee in appropriate or exceptional cases.

7.2 Sprng will provide protection to Whistleblowers against retaliation, as described below:

- (a) Sprng will keep the Whistleblower's identity confidential, unless
 - (i) The person agrees to be identified
 - (ii) Identification is necessary to allow Sprng or law enforcement officials to investigate or respond effectively to a Complaint
 - (iii) Identification is required by law
 - (iv) The person accused of compliance violation (Subject) is entitled to the information as a matter of legal right
- (b) Sprng prohibits retaliation against a Whistleblower with the intent or effect of adversely affecting the terms or conditions of the Whistleblower's employment (including, but not limited to, threats of physical harm, loss of job or impact on salary or wages)
- (c) In the event that a complaint made in good faith is subsequently found to be untrue, no action would be initiated against the Whistleblower. However, Whistleblowers must be cautious to avoid baseless allegations.
- (d) If any Whistleblower faces any retaliatory action or threats of retaliatory action because of making a report under the Policy, please bring the same to the notice of the Ethics Committee immediately.

7.3 If any Designated Person files any report under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. The Designated Person making any report under the Policy 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 disclosures, because of reporting under this Policy. The protection is available provided that:

- (a) The communication/ disclosure is made in good faith
- (b) Information, and any allegations contained in the report, are substantially true; and iii.
- (c) Designated Person is not acting for personal gain

- 7.4 Any Designated Person who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to Disciplinary Action, as will anyone who victimizes a colleague by raising a concern through this Policy. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.
- 7.5 No action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.
- 7.6 Sprng will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and Disciplinary Action taken against any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy. Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower

8. Responsibility for implementation of the Policy

- 8.1 The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) shall have overall responsibility for ensuring that the Policy is complied with by Designated Persons.
- 8.2 CEO and CFO shall ensure that their managers at all levels take responsibility for ensuring that those reporting to them are aware of and understand this Policy, implement it and adhere to it.
- 8.3 Copies of the Policy shall be shared with all present and future Designated Persons associated with Sprng, on the effective date of this Policy at the time of commencement of their services.
- 8.4 The Policy should also be communicated to all agents, suppliers, contractors and business partners of Sprng and respective Manager / Department Head, hiring such agents, suppliers, contractors and business partners shall be responsible to share this Policy with them and shall ensure that this Policy is compiled by them from time to time.
- 8.5 The Ethics Committee shall conduct trainings for Designated Persons at Sprng to sensitize them about the Policy.
- 8.6 Every Designated Person to whom this policy applies is responsible for the success of this Policy and should ensure that he / she should uses it to disclose any suspected activity or wrong-doing.

9. Waiver and amendment of the Policy

The Board of Sprng- will monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. The Policy is subject to modifications and amendments from time to time.