



IRDAI REGISTERED INSURANCE BROKER

SMC INSURANCE BROKERS PVT. LTD.IRDAI - Direct Broker License No.: DB-272/04/289 Category - Direct
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SMC INSURANCE - HUMAN RESOURCE

"VIGIL MECHANISM / WHISTLE BLOWER POLICY"**1. PREAMBLE:**

SMC Insurance Private Limited ('hereinafter referred to as the '**Company**') considering the interest of all its well-wishers, who want to report genuine concerns within the organization, implements the **Vigil Mechanism/Whistle Blower Policy (the Policy)**.

The Company has adopted the Code of Ethics & Business Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees.

Accordingly this **Vigil Mechanism / Whistle Blower** Policy has been formulated with a view to provide a mechanism for Directors / Employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc.

As per Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its powers) Rules, 2014 and Regulation 22 of the Listing Obligations and Disclosure Requirements, Regulation 2015, every company and such class or classes of companies needs to formulate a Vigil Mechanism Policy for their directors and employees as to report their genuine concerns in such manner as may be prescribed. The vigil mechanism will act as a buffer for the management.

The policy will provide a safeguard against victimization of person using such scheme and also make provision for direct access to the chairperson of the Vigil Mechanism Committee in appropriate or exceptional cases. Further the Company has also adopted a Code of Conduct for Directors and Senior Management Executives ("**the Code**"), to ascertain and ensure that the company has an adequate and functional mechanism and also that the interests of a person who uses the mechanism are not prejudicially affected. The code shall lay down the principles and standards that should govern the actions of the Company 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.

IRDA Guidelines also advised to Insurance Companies to put in place a "**Vigil Mechanism / Whistle Blower**" policy, whereby mechanisms exist for employees to raise concerns internally about possible irregularities, governance, weaknesses, financial reporting issues or other such matters.

An employee through this mechanism brings that information or reports that information to the management or third party.

A **Vigil Mechanism / Whistle Blower** Policy should cover following matter:

- i. Awareness of the employees that such channels are available, how to use them and how their report will be handled;
- ii. Handling of reports received confidentially, for independent assessment, investigation and where necessary for taking appropriate follow-up actions;
- iii. A robust mechanism to protect employees, who make report in good faith and for benefit of the organisation;
- iv. A system of briefing to Board of Directors;

This policy seeks to define and establish the position of **SMC Insurance Brokers Pvt. Ltd.** (hereinafter referred to as the '**Company**') on the framework for reporting instances of unethical / fraudulent conduct and taking suitable steps to investigate and correct the same.

Accordingly, this policy lays down the following provisions:

- Setting up relevant authority and its powers to review protected disclosures and direct corrective action relating to such disclosures.
- Procedure to disclose any suspected unethical and/or fraudulent practice taking place in the Company;
- Maintaining the Confidentiality to the person who makes disclosure towards such unethical and/or fraudulent practice in the Company.
- Mechanism for taking action and reporting on such disclosures to the relevant authority within the Company.

2. DEFINITIONS:

In this Policy, unless the context requires otherwise:

- a) Policy or This Policy means, "**Vigil Mechanism Policy.**"
- b) "**Director**" means any Executive, Non-Executive, Nominee or Alternate Director of the Company.
- c) "**Employee**" means any employee or officer of the Company.
- d) "**Whistle Blower**" is an employee or group of employees who makes a Protected Disclosure under the Policy.
- e) "**Disclosure**" means any communication in relation to an unethical practice (including anonymous disclosures, if any) made in good faith by the Vigil Mechanism to the designated committee under this policy.
- f) "**Protected Disclosure**" means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title "**SCOPE OF THE POLICY**" with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- g) "**Vigil Mechanism**" means any Director / Employee who makes a Protected Disclosure under this policy.
- h) "**Unethical practice**" means and includes, but not limited to, the following suspected activities/ fraudulent practices being followed in the Company:
 - i. Manipulation of Company data / records;
 - ii. Abuse of authority at any defined level in the Company;
 - iii. Disclosure of confidential / proprietary information to unauthorized personnel;
 - iv. Violation of applicable laws and regulations to the Company, thereby exposing the Company to penalties/ fines;
 - v. Any instances of misappropriation of Company assets;
 - vi. Activity violating any laid down Company policy, including the Code;
 - vii. Any other activities whether unethical or fraudulent in nature and injurious to the interests of the Company.

3. INTERPRETATION:

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 read along with the rules as amended from time to time.

4. THE GUIDING PRINCIPLES:

To ensure that this Policy is adhered to and to assure that the concern will be acted upon seriously, the Company will:

1. Ensure that the Vigil Mechanism and/or the person processing the Protected Disclosure is not victimized for doing so.
2. Treat victimization as a serious matter including initiating disciplinary action on such person/(s).
3. Ensure complete confidentiality.
4. Not attempt to conceal evidence of the Protected Disclosure.
5. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made / to be made.
6. Provide an opportunity of being heard to the persons involved especially to the Subject.

5. YOUR DUTY TO REPORT:

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. It is important that you report all suspected violations. This includes:

- a) Abuse of authority.
- b) Breach of fiduciary obligation.
- c) Negligence causing substantial and specific danger to public health and safety.
- d) Manipulation of company data/records.
- e) Financial irregularities, including fraud, or suspected fraud.
- f) Criminal offence involving moral turpitude.
- g) Pilferation of confidential/propriety information.
- h) Deliberate violation of law/regulation.
- i) Wastage/misappropriation of company funds/assets.
- j) Serious or widespread breach of Employee Code of Conduct or Rules. It is the policy of the Company that you trust, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct and Ethics has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws.

6. CONSTITUTION OF COMMITTEE:

A Committee namely "**Vigil Mechanism Committee**" is hereby constituted to look into the matters with respect to genuine concern in such manner as may be prescribed.

The Committee in its present form comprises of the following persons:

Name of the Member(s)	Designation
Mr. Pravin Kumar Agarwal	Chairman
Mr. Mahesh Chand Gupta	Member
Ms. Akanksha Gupta	Member
Mr. Rajendra Prasad Mahipal	Member
Mr. Chandra Wadhwa	Member

7. HOW TO REPORT:

You must report all suspected violations to

- (i) Your immediate supervisor;
- (ii) The compliance officer
- (iii) The Director; or

- (iv) Anonymously, by sending an e-mail to: po_smc@smcinsurance.com; or
(v) Anonymously, by sending letter to the Compliance officer at the official address of the Company:

To,
The Director,

SMC Insurance Brokers Pvt. Ltd.
Parsavnath Metro Mall, Pratap Nagar
Delhi - 11 00 07
Contact No.011-66222266,

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

8. GUIDELINES:

a. Protection under Policy

The vigil mechanism shall provide for adequate safeguards against victimization of employees and directors or such whistle blower who avail of the vigil mechanism and report their genuine concerns or grievances.

b. Disclosure & Maintenance of Confidentiality

Employees and directors shall report to through e-mail addressed to po_smc@smcinsurance.com; Confidentiality shall be maintained to the greatest extent possible.

c. Frivolous complaints

In case of repeated frivolous/ mala fide complaints being filed by a director or an employee, the Vigil Mechanism committee may take suitable action against the concerned director or employee including reprimand.

9. PROCEDURE:

Any employee or director shall submit a report of the genuine concerns or grievances to the Vigil Mechanism Committee.

An Vigil Mechanism Committee shall oversee through the committee and if any of the members of the committee have a conflict of interest in a given case, they should recues themselves and the others on the committee would deal with the matter on hand.

In exceptional case, the vigil mechanism shall provide direct access to the Chairperson of the Vigil Mechanism Committee.

Vigil Mechanism Committee shall appropriately investigate all grievances received. In this regard, Vigil Mechanism Committee to investigate into the matter and prescribe the scope and time limit therefore.

Vigil Mechanism Committee shall have right to outline detailed procedure for an investigation.

The Vigil Mechanism Committee or chairman, as the case may be, shall have right to call for any information/ document and examination of any employee or director of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.

A report shall be prepared after completion of investigation and the Vigil Mechanism Committee shall consider the same.

The decision or direction of Vigil Mechanism Committee shall be final and binding.

10. PROTECTION:

- i. No unfair treatment will be meted out to a Whistle blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns, any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle blower. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected disclosure.
- ii. The Company will take 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 criminal or disciplinary proceedings, the Company will arrange for the Whistle blower to receive advice about the procedure etc.
- iii. The identity of the Whistle blower shall be kept confidential to the extent possible and permitted under law. The identity of the Whistle blower will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the Whistle Blower being disclosed, the Vigil Mechanism Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure.
- iv. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower. Provided however that the Whistle blower before making a complaint has reasonable belief that an issue exists, and he has acted in good faith. Any complaint not made in good faith as assessed such by the Vigil Mechanism shall be viewed seriously and the Whistle Blower shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.
- v. A Whistle Blower may report any violations of the above clause to the Chairman of the Vigil Mechanism Committee, who shall investigate into the same and recommend suitable action to the management.

11. ACCESS TO CHAIRMAN OF THE VIGIL MECHANISM COMMITTEE:

The Whistle Blower shall have right to access Chairman of the Vigil Mechanism Committee directly in exceptional cases and the chairman of the Vigil Mechanism Commit is authorized to prescribe suitable directions in this regard.

12. COMMUNICATION:

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by email and the website of the company.

13. 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 8 (Eight) years or such other period as specified by any other law in force, whichever is more.

14. RIGHT TO 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 Employees and Directors unless the same is notified to them in writing.

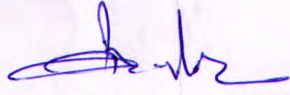
15. INTIMATION:

The Compliance Officer shall be responsible for intimating to all Directors and Departmental heads of any changes in policy. This policy as amended from time to time shall be disclosed by the company on its website and in the Board's report.

Approved And Adopted

By The **Board of Directors of SMC Insurance Brokers Private Limited**





Pravin Kumar Agarwal
(Chairman)

Dated: 20/08/2020

Place: New Delhi