

# **SPARC ELECTREX LIMITED**

**(Formerly known as Sparc Systems limited)**

**CIN: L31100MH1989PLC053467**

## **WHISTLEBLOWER POLICY**

### **1. Purpose of this policy**

As a Public Limited Listed Company, **Sparc Electrex Limited** (the "Company" or "Sparc") is committed to the integrity of its financial information which is relied upon by its shareholders, the financial markets and other stakeholders. In accordance with the provisions of Section 177 (9) of the Companies Act 2013 and Regulation 22 of Securities Exchange of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 as may be amended from time to time and principles of good corporate governance, the Audit Committee of the Company is committed to adopting procedures to receive and address any concern or complaint regarding questionable accounting or auditing matters, internal accounting controls, disclosure matters, reporting of fraudulent financial information to our shareholders, any government entity or the financial markets or any other company matters involving fraud, Personnel misconduct, illegality or health and safety and environmental issues which cannot be resolved through normal management channels and also instances of Leak of unpublished price sensitive information.

Personnel of the Company may use the procedures set out in this Whistleblower Policy (the "Policy") to submit confidential and/or anonymous complaints. This Policy allows for disclosure by any personnel, of such matters internally, without fear of reprisal, discrimination or adverse employment consequences, and also permits the Company to address such disclosures or complaints by taking appropriate action, including, but not limited to, disciplining or terminating the employment. The Company **Sparc** not tolerate any retaliation against any Personnel for reporting in good faith any inquiry or Concern

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects any personnel wishing to raise a concern about serious irregularities and also instances of leak of unpublished price sensitive information within the Company. The policy neither releases Personnel from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

## 2. Definitions

**"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the company in accordance with the Provisions of the Companies Act, 1956/2013, read with Regulation 18 of the Listing Regulations "Personnel" means any employee, director and/or officer / Designated Personnel of the Company

**"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information or reportable matter that may evidence unethical or improper activity or instance of leak of unpublished price sensitive information.

**"Questionable Accounting or Auditing Matters"** include, without limitation, the following:

- a) Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- b) Fraud or deliberate error in the recording and maintaining of financial records of the Company;
- c) deficiencies in or non-compliance with the company's internal accounting controls;
- d) Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the company; or
- e) Deviation from full and fair reporting of the company's financial condition.
- f) Any misrepresentation, non-disclosure and/ or hiding of material facts, and frauds, which an Personnel was bound to disclose to his seniors either in the ordinary course of his employment obligations or as a special incident coming to his notice/knowledge.
- g) Non-observance of due diligence, care and caution while discharging his liability causing financial and non-financial losses/damages to the company, including but not limited to risks of litigations/claims against the company.
- h) Failure to disclose/prevent mistakes in the Functions like, Material Purchase, Projects Site Execution Works, Non-renewal of permits, licenses and permissions.
- i) Failure to renew and/or seek renewal of bank guarantees promptly.
- j) Failure to deduct and pay taxes, Provident Fund and ESIC Contributions, other statutory payments,
- k) Failure by the officials, Personnel, suppliers, contractors, consultants, subcontractors, internal and external auditors and directors, of their duty of care, caution, honesty,

prudence either knowingly or unknowingly or deliberate dereliction of their duties in their respective capacities, while being associated with the Company.

**"leak of Unpublished Price Sensitive information"**

**"Unpublished Price Sensitive Information"** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

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- (i) Financial results
- (ii) Dividends;
- (iii) Change in capital structure
- (iv) Mergers, demergers, acquisitions, delistings, disposals and expansion of business
- (v) Changes in key managerial personnel

**"Reportable Matters"** means Questionable Accounting or Auditing matters (defined above ) and leak of Unpublished Price Sensitive information and / or any other company matters involving abuse of authority, breach of **Sparc** Code of Conduct, non- observance of prudent business practices, neglect/non observance of diligence while discharging one's duties/contractual obligations, fraud, bribery, corruption, Personnel misconduct, illegality, health and safety, environmental issues, wastage/ misappropriation of company funds/assets and any other unethical or inappropriate conduct.

**"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.

**"whistleblower"** is defined as any Personnel (defined above) who has or had access to data, events or information about an actual, suspected or anticipated Reportable matters, within the organization and whether anonymously or not, makes or attempts to make a deliberate, voluntary and protected disclosure or complaint of organizational malpractice, non observance of prudent practices, deliberate neglect of observance of principles of prudent practices by any other officer, consultant, contractor, supplier of the Company

### **3. Reporting Responsibility**

Personnel **Sparc** often be the first to come across, the instances of impropriety and the facts relating to mis-statements in the Company's financial statements or leak of Unpublished price sensitive information and other wrongdoings, and reportable matters of concern as stated herein above. All personnel have an obligation to report any of the Reportable Matters of which they are or become aware of, to the Company. However, due to various reasons, which include indifference to the issues, inherent fear of reprisal or plain non-clarity on the issues, such instances may go unreported. This Policy is therefore intended to encourage and enable Personnel to raise concerns/alarms within the company, prior to seeking resolution outside the company

The company shuns all kinds of malpractices, impropriety, statutory non-compliances or wrongdoings or instance of leak of unpublished price sensitive information. This Policy ensures that Personnel are empowered to pro-actively bring to the notice of appropriate internal authorities, such instances, without fear of reprisal, discrimination or adverse consequences on their employments.

This Policy is not, however, intended to question financial or business decisions taken by the Company that are not Reportable Matters nor should it be used as a means to reconsider any matters which have already been addressed, through disciplinary or other internal procedures of the company. Further, this policy is not intended to cover career-related or other personal grievances.

The Whistleblower's role is that of a reporting party. Whistleblowers are not investigators or finders of facts; neither can they determine the appropriate corrective or remedial action that may be warranted. They are an agency to bring out/report something which they feel is a reportable matter.

#### **4. False complaints**

While this policy is intended to protect genuine Whistleblowers from any unfair treatment, as a result of their disclosure, misuse of this protection by making false, frivolous and bogus complaints with mala fide intentions is strictly prohibited.

Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention, However, while deciding upon whether an allegation is genuine or otherwise, the internal authorities DCL consider all aspects of allegation including but not necessarily, giving a personal hearing to the Personnel

#### **5. Reporting mechanisms**

Personnel should raise Protected Disclosures / Reportable Matters with someone who is in a position to address them appropriately in most cases, a personnel's supervisor or manager is in the best position to address an area or concern. Supervisors or managers to whom Protected Disclosures/Reportable Matters are raised are required to report the same immediately to the Company Secretary or Chairman of the Audit Committee.

Notwithstanding the aforesaid, personnel can lodge a complaint in one of the following ways:

(i) by contacting the Chairman of the Audit Committee, Ms. Kajal Jain,

Email: [sparc@mtnl.net.in](mailto:sparc@mtnl.net.in)

Phone: 022-27792481

(ii) by contacting the Company Secretary or any member of the Audit Committee;

(iii) by sending a complaint letter in a sealed envelope marked "Private and Confidential" to the Company Secretary.

A complaint may be made anonymously. However, if a complaint is made anonymously, the complainant must provide detailed descriptions of the complaint and must provide the basis of making the assertions/allegations therein.

Although a Whistleblower is not required to furnish any more information than what he/she wishes to disclose, it is essential for the company to have all critical information in order to enable the company to effectively evaluate and investigate the complaint. It is difficult for the company to proceed with an investigation on a complaint, particularly an anonymous complaint, which does not contain all the critical information such as the specific charge. The complaint or disclosure must therefore provide as much details and be as specific as possible, including names and dates, in order to facilitate the investigation.

To the extent possible, the complaint or disclosure must include the following:

1. The Personnel, and/or outside party or parties involved;
2. The sector of the company where it happened (division, office/Project Site)
3. When did it happen; a date or a period of time;
4. Type of concern (what happened):
  - a) Financial reporting;
  - b) Legal matter;
  - c) Management action;
  - d) Personnel misconduct; and/or
  - e) Health and safety and environmental issues
  - f) Contractor, sub-contractor, consultant, internal auditor, auditor, any other person involved;
  - g) Leak of Unpublished Price Sensitive Information.
5. Submit proof or identify where proof can be found, if possible;
6. Whom to contact for more information, if possible; and/or
7. Prior efforts to address the problem, if any.

## **6. Investigations**

Upon receipt of a complaint, the Company Secretary Sparc make an assessment thereof and place an appropriate complaint before the Audit Committee. The Audit Committee shall address all concerns or complaints regarding Protected Disclosures/Reportable Matters, which are placed before them, and ensure resolution of the same.

The decision to conduct an investigation taken by the Audit Committee 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.

The identity of a Subject and the Whistle Blower Sparc be kept confidential to the extent possible given the legitimate needs of law and the investigation.

The Company Secretary may, in consultation with the Audit Committee either direct the complaint to the departmental Head, best placed to address it (while retaining the authority to oversee the investigation), or lead the investigation in person to ensure prompt and appropriate investigation and resolution of the matter complained.

All information disclosed during the course of the investigation DCL remain confidential, except as necessary or appropriate to conduct the investigation and take any remedial action, in accordance with any applicable laws and regulations, The company reserves the right to refer any concerns or complaints regarding Protected Disclosures/Reportable Matters to appropriate external regulatory authorities All personnel have a duty to cooperate in the investigation of complaints reported as mentioned hereinabove. Depending on the nature of the complaint, any concerned personnel, at the outset of formal investigations, may be informed of the allegations against him/her and be provided an opportunity to reply to such allegations.

Personnel shall be subject to strict disciplinary action up to and including immediate dismissal from the employment, if they fail to cooperate in an investigation or deliberately provide false information during an investigation.

If, at the conclusion of its investigation, the company determines that a violation has occurred or the allegations are substantiated, the company Sparc take effective remedial action commensurate with the severity of the offence.

This may include disciplinary action against the concerned personnel. The company may also take reasonable and necessary measures to prevent any further violations, which

may have resulted in a complaint so made. In some situations, the company may be under a legal obligation to refer matters to appropriate external regulatory authorities.

## **7. Non-retaliation**

No personnel who, in good faith, makes a disclosure or lodges a complaint in accordance with this policy shall suffer reprisal, discrimination or adverse consequences on his/her employment/assignment/relationship with the Company.

Accordingly, the company strictly prohibits discrimination, retaliation or harassment of any kind, against a Whistleblower who, based on his/her reasonable belief that one or more Reportable Matters has occurred or are occurring, or is/are likely to occur, reports that information. Any personnel who retaliates against a Whistleblower who has raised a Reportable Matter in good faith, Sparc be subject to strict disciplinary action up to and including immediate termination of employment, If any personnel who makes a disclosure or complaint in good faith, believes that he/she is being subjected to discrimination, retaliation or harassment for having made a report under this policy, he/she must immediately report those facts to his/her supervisor or manager or the Company Secretary. If, for any reason, he/she does not feel comfortable discussing the matter with these persons, he/she should bring the matter to the attention of the Chairman of Audit Committee. It is imperative that such personnel brings the matter to the company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately.

## **8. Document retention**

The Company shall maintain documentation of all complaints or reports, subject to this policy. The documentation shall include any written submissions provided by the complainant, any other company documents identified in the complaint or by the company as relevant to the complaint, a summary of the date and manner in which the complaint was received by the Company and any response by the Company to the complainant. All such documentation shall be retained by the company for a minimum of six (6) years from the date of receipt of the complaint. Confidentiality Sparc be maintained to the extent reasonably practicable depending on the requirements and nature of the investigation, as indicated above.

## **9. Additional enforcement information**

In addition to the Company's internal complaint procedure, personnel should also be aware that certain central, local and state law enforcement agencies and regulatory authorities are authorized to review questionable accounting or auditing matters or potentially fraudulent reports of financial information.

Nothing in this policy is intended to prevent any personnel from reporting information to the appropriate agency when the personnel has reasonable cause to believe that the violation of a central, local or state statute or regulation has occurred. However, the whistle blower is required to approach the Company and its management at appropriate level and in appropriate manner, with such reportable matter, before approaching to the outside statutory authorities, so as to help all the stake holders to take a comprehensive view of the reportable matter and to help/guide the whistle blower to get his/her concerns redressed.

#### **10. Modification**

The Board of Directors of Company on recommendations of Audit Committee may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, state and central regulations including SEBI and Stock Exchange Regulations and/or accommodate organizational changes within the Company.

#### **11. Conclusion**

The **Sparc Electrex Limited** Code of Conduct as well as the Company's policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies is viewed as unacceptable by the Company. Certain violations of the company's policies and practices could even subject the Company and any individual Personnel involved to civil and criminal penalties.

Before issues escalate to such a level, personnel are encouraged to report any violations covered hereinabove, or reprisal, discrimination or adverse employment consequences related to such reports.

For any queries/concerns regarding the **Sparc Electrex Limited**

Whistleblower Policy, contact to:

**Shobith Ganesh Hegde**

Mumbai Office

Phone No: 9819001811

Email: [sparcelectrex@gmail.com](mailto:sparcelectrex@gmail.com)

## **12. FAQs related to the Whistle blower Policy**

### **What is the "Whistleblower Policy"?**

This Whistleblower Policy has been put in place to comply with the requirements of provisions of SEBI (Listing Obligations & Disclosure Requirements, Regulation), 2015 as amended and the Companies Act, 2013 with a View to encourage the reporting of concerns on any questionable accounting or auditing matters, any other company matters involving, leak of unpublished price sensitive information, fraud, bribery, corruption, Personnel misconduct, illegality or health and safety and environmental issues, including, without limitation, the following:

- a) fraud or deliberate errors in the preparation, evaluation, review or audit of any financial statement of the Company;
- b) fraud or deliberate error in the recording and maintaining of financial records of the Company;
- c) deficiencies in or non-compliance with the Company's internal accounting controls;
- d) misrepresentation or false statement to or by a senior officer or accountant, regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- e) deviation from full and fair reporting of the Company's financial condition;
- f) Leak of Unpublished Price Sensitive Information.

### **How can these concerns be expressed?**

An Personnel can report any of the issues covered under this Policy to his/her supervisor, or manager. Complaints can also be directed to the Company Secretary or directly to the Audit Committee of DCL. A letter can be sent to the Company Secretary in an envelope marked as "Private and Confidential".

### **Does this Policy protect Complainants?**

Yes, the Policy provides protection to all personnel from reprisal, discrimination or any other adverse employment consequences, as a result of their reporting any concerns specified under this Policy.

### **Which concerns are not covered under this Policy?**

- (i) frivolous and bogus complaints;
- (ii) business and financial decisions taken by the Company that do not involve wrongdoing or illegality;
- (iii) Any matter already addressed pursuant to disciplinary or other procedures of the Company.
- (iv) Career related or other personal grievances.

**Can anonymous complaints be sent?**

Yes. The Whistleblower has the option of sending anonymous complaints if for any reason he/she wishes to be unidentified. However, for any action to be initiated on such complaints they have to be detailed in their description and provide the basis of making the assertion therein.

**Who investigates these concerns?**

While the Audit Committee is ultimately responsible for ensuring that all concerns or complaints falling within the scope of this Policy are addressed, the Company Secretary is primarily responsible for investigation and/or coordination with relevant investigators of all complaints.

What are the options available when a Personnel feels discriminated as a result of disclosure under this Policy?

The personnel should promptly report the facts related to any discrimination, retaliation or harassment for having made a report under this Policy to his/her supervisor, or manager, or the Company Secretary. If, for any reason, he/she does not feel comfortable discussing the matter with these persons, he/she should bring the matter to the attention of the Audit Committee.