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## POLICY ON PREVENTION OF SEXUAL HARASSMENT (Ver 1.2)

### **OBJECTIVE**

ARTHAN FINANCE PRIVATE LIMITED (“**Company**”) believes in creating a workplace where all employees are able to work free of any fear of prejudice, unfair treatment or bias whether based on gender or otherwise. The Company will not tolerate or condone Sexual Harassment (as defined hereinafter) at the Workplace (as defined hereinafter), as it is a violation of a person’s fundamental rights to life, equality, their right to live with dignity, and to practice any profession or to carry on any occupation, trade or business, which includes the right to a safe environment free from Sexual Harassment. It creates an unhealthy and unproductive atmosphere at the Workplace.

The Company expects its employees to always behave in a dignified and respectful manner at the Workplace. The objective of this Policy on Prevention of Sexual Harassment (“**Policy**”) is to provide protection against Sexual Harassment at Workplace and for the redressal of complaints of Sexual Harassment and for matters connected therewith.

The Company has zero-tolerance for Sexual Harassment. The Company values each and every employee working with it and wishes to protect their dignity and self-respect. In doing so, the Company is determined to promote a working environment in which persons of any gender complement each other as equals in an environment that encourages maximum productivity and to keep the personal dignity.

The Company is committed towards giving every employee a just and fair hearing on issues encountered by them at the Workplace with special attention to Sexual Harassment. The Company will take very serious disciplinary action against any victimization of the employee who is complaining or the alleged harasser that may result from a complaint. Sexual Harassment at the Workplace will be considered a grave offence and the Company is committed to take all necessary action to ensure that its employees are not subjected to any form of harassment.

### **SCOPE**

This Policy has been drafted keeping in mind the basic tenets of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“**POSH Act**”) and any amendments made thereto, read with the rules framed thereunder. This Policy will apply to all the Employees (as defined hereinafter) at the Workplace.

This Policy covers any and all forms of alleged acts of sexual harassment, as described under the POSH Act of women by men, of men by women or between the same sexes. Sexual harassment is unlawful irrespective of who is involved in such behaviour.

“Annexure A” of this Policy provides an indicative list of examples of behavior which may be found to constitute Sexual Harassment in the Workplace.

“Annexure B” of this Policy provides the details of the Internal Complaints Committee of the Company. The members of the Internal Complaints Committee shall be appointed for a period of 3 (Three) years

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from the date of their appointment. Upon completion of the tenure of a member, the Internal Complaints Committee shall be reconstituted by the Company.

## DEFINITIONS

For the purpose of this Policy, the following terms when capitalized shall have the meaning set out as follows:

- 1.1. **“Aggrieved Person”** means a person of any age, whether employed or not by the Company, who alleges to have been subjected to any act of Sexual Harassment at the Workplace.
- 1.2. **“Employee”** means any person employed by the Company for any work on regular, temporary, *ad hoc* or daily wage basis, either directly or through an agent, including a contractor, with, or without the knowledge of the principal employer, whether for remuneration or not, or employing working on a voluntary basis or otherwise, whether the terms of employment are express or implied and includes a co-employee , a contract employee , consultant, advisor, probationer, trainee, apprentice or person called by any such name.
- 1.3. **“Respondent”** means any person against whom the Aggrieved Person has made a complaint.
- 1.4. **“Sexual Harassment”** includes any one or more of the following unwelcome acts or behaviour, whether directly or by implication, namely:
  - 1.4.1. physical contact and advances; or
  - 1.4.2. a demand or request for sexual favours; or
  - 1.4.3. making sexually coloured remarks; or
  - 1.4.4. showing pornography; or
  - 1.4.5. any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

The following circumstances, among other circumstances, if it occurs or is present in relation to or connected with any act or behaviour of sexual harassment may also amount to Sexual Harassment: (a) an implied or overt promise of preferential treatment in the Aggrieved Person’s employment; (b) an implied or overt threat of detrimental treatment in the Aggrieved Person’s employment; (c) an implied or overt threat about the Aggrieved Person’s present or future employment status; (d) any interference with the Aggrieved Person’s work or creating an intimidating or offensive or hostile work environment for the Aggrieved Person; or (e) humiliating treatment likely to affect the Aggrieved Person’s health or safety.

Any act of Sexual Harassment, whether committed within or outside of office hours will fall under the purview of this Policy.

1.5. **“Workplace”** means:

- 1.5.1. all premises, locations, offices or units, established, owned and controlled by the Company or
- 1.5.2. any place visited by the Employee arising out of or during the course of employment including but not limited to transportation, accommodation provided by the Company for undertaking such journey.
- 1.5.3. The decision of the ICC (defined below) on whether an act of sexual harassment occurred within the Workplace shall be final.

**2. INTERNAL COMPLAINTS COMMITTEE**

2.1. An appropriate complaint mechanism in the form of an Internal Complaints Committee (“**ICC**”) has been set up by the Company for redressal of any complaints of Sexual Harassment forwarded by the Aggrieved Person. The ICC will comprise of the following members:

- 2.1.1. Presiding Officer, who shall be a senior level woman employee at the Company. In case a senior level woman employee is unavailable, the Presiding Officer shall be nominated from other offices of the Company. In case a senior level woman employee is unavailable in other offices, the Presiding Officer shall be nominated from any other workplace of the Company;
- 2.1.2. A minimum of 2 (Two) members from amongst the Employees at the Company’s office who preferably are committed to the cause of women or who have experience in the field of social work or having legal knowledge; and
- 2.1.3. 1 (One) member from any non-government organization or association committed to the cause of women or a person familiar with issues relating to sexual harassment.

A list of members for each of the state where the offices of the Company are present, as on the date of publication of this Policy, along with their contact details is annexed herewith at “**Annexure B**”. Any updates to the said list would be appropriately circulated and made known to all Employees through notice from time to time.

- 2.2. The Presiding Officer and every member of the ICC shall hold office for such period, not exceeding 3 (Three) years, from the date of their appointment.
- 2.3. The ICC shall be responsible for (a) investigating every formal written complaint of Sexual Harassment; (b) taking appropriate remedial measures to respond to any substantiated allegations of Sexual Harassment; and (c) discouraging and preventing employment-related Sexual Harassment.
- 2.4. In the event that a complaint is filed against the Presiding Officer or any other member of the ICC, the member shall be duly removed from the ICC, and replaced in accordance with the

terms of this Policy for the term of the investigation. Such removed Presiding Officer or member shall thereafter have all the rights and obligations as available to the Respondent herein during the inquiry process.

### **3. COMPLAINTS**

- 3.1. If an Aggrieved Person believes that he/she has been subjected to Sexual Harassment, such Aggrieved Person file a written complaint with the ICC as prescribed in the policy. The complaint shall contain details of circumstances giving rise to the complaint, the date of alleged occurrences, names of witnesses, if any, and shall be signed by the Aggrieved Person. At the time of filing the complaint, the Aggrieved Person shall submit 6 (Six) copies of the complaint along with supporting documents and the names and addresses of the witnesses to the ICC.
- 3.2. The written complaint with the aforementioned particulars may be submitted physically to any ICC member or electronically by the Aggrieved Person within a period of 3 (Three) months from the date of the incident and in case of a series of incidents, within a period of 3 (Three) months from the date of the last incident. However, the ICC reserves the right to extend the aforementioned time period further by not more 3 (Three) months, if it is satisfied that the circumstances were such which prevented the Aggrieved Person from filing a complaint within the aforementioned period. Such reasons for extension in time should be recorded in writing by the ICC.
- 3.3. In case that the Aggrieved Person cannot make such complaint in writing, the Presiding Officer/the Chairperson or any member of the ICC shall render all reasonable assistance to the Aggrieved Person for making the complaint in writing.
- 3.4. Where the Aggrieved Person is unable to make a complaint on account of his/her physical incapacity, a complaint may be filed by:
  - 3.4.1. his/her relative or friend;
  - 3.4.2. his/her co-worker;
  - 3.4.3. where the Aggrieved Person is a woman, an officer of the National Commission for Women or State Women's Commission; or
  - 3.4.4. any person who has knowledge of the incident, with the written consent of the Aggrieved Person.
- 3.5. Where the Aggrieved Person is unable to make a complaint on account of his/her mental incapacity, a complaint may be filed by:
  - 3.5.1. his/her relative or friend;
  - 3.5.2. a special educator;

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- 3.5.3. a qualified psychiatrist or psychologist;
  - 3.5.4. the guardian or authority under whose care he/she is receiving treatment or care; or
  - 3.5.5. any person who has knowledge of the incident jointly with his/her relative or friend, a special educator, a qualified psychiatrist or psychologist, or the guardian or authority under whose care he/she is receiving treatment or care.
- 3.6. Where the Aggrieved Person for any other reason is unable to make a complaint, a complaint may be filed by any person who has knowledge of the incident, with the written consent of the Aggrieved Person.
- 3.7. Where the Aggrieved Person is dead, a complaint may be filed by any person who has knowledge of the incident, with the consent of the legal heir of the Aggrieved Person.

#### **4. CONCILIATION**

- 4.1. Prior to initiating an inquiry into the complaint made, the ICC may, at the Aggrieved Person's request, take steps to settle the matter between the Aggrieved Person and the Respondent through conciliation. However, no monetary settlement shall be made as a basis of such conciliation.
- 4.2. In the event that a settlement has been reached, the ICC shall record the settlement so arrived and forward the same to the managing director and the CEO of the Company, to take action as specified in the recommendation.
- 4.3. The ICC shall also provide the copies of the settlement as recorded to the Aggrieved Person and the Respondent. Once a settlement is arrived at, no further inquiry shall be conducted by the ICC. However, the Aggrieved Person can further refer that complaint to the ICC for redressal, if the terms of settlement have not been complied with. In such a case, the ICC shall commence an inquiry into the complaint.

#### **5. INQUIRY PROCESS**

- 5.1. The ICC is required to make an inquiry into the complaint filed by the Aggrieved Person in accordance with the principles of natural justice. In conducting the inquiry, a minimum of 3 (Three) members of the ICC including the Presiding Officer/the Chairperson are required to be present. The inquiry process has been set out below:
  - 5.1.1. On receipt of the complaint and where the Respondent is an Employee, the ICC shall send one of the copies received from the Aggrieved Person to the Respondent within a period of 7 (Seven) working days from the receipt of the complaint.

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- 5.1.2. The Respondent shall file his/her reply to the complaint along with his/her list of documents, and names and addresses of witnesses, within a period not exceeding 10 (Ten) working days from the date of receipt of the copy of the complaint.
  - 5.1.3. The inquiry has to be completed within a period of 45 (Forty-Five) days from the receipt of the complaint from the Aggrieved Person.
  - 5.1.4. Upon completion of the inquiry, the ICC shall prepare a report of findings based on the complaint received by it and submit it to one of the directors of the Company within a period of 10 (Ten) days from the date of completion of the inquiry and such report be made available to the concerned parties.
  - 5.1.5. The Company is required to act on the recommendations of the ICC within 60 (Sixty) days of its receipt.
  - 5.1.6. Appeal against the decision of the ICC is allowed within 90 (Ninety) days from the date of recommendations.
- 5.2. For the purpose of making the inquiry, ICC shall have the power to:
- 5.2.1. Summon and enforce the attendance of any person and examining him/her on oath; and
  - 5.2.2. Require the discovery and production of documents.
- 6. INTERIM RELIEF**
- 6.1. During the pendency of an inquiry, on a written request made by the Aggrieved Person, the ICC may recommend to one of the directors of the Company to take the following interim measures:
- 6.1.1. transfer the Aggrieved Person or the Respondent to any other workplace;
  - 6.1.2. grant leave to the Aggrieved Person for a period up to 3 (Three) months;
  - 6.1.3. restrain the Respondent from reporting on the work performance of the Aggrieved Person or writing his/her confidential report, and assign the same to another Employee of the Company; or
- 6.2. grant such other relief to the Aggrieved Person as it may deem fit. The leave granted to the Aggrieved Person, as an interim relief, shall be in addition to the leave he/she would be otherwise entitled.

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## **7. PUNISHMENT & COMPENSATION**

- 7.1. If the ICC arrives at the conclusion that the allegation against the Respondent has not been proved, it shall recommend to one of the directors of the Company that no action is required to be taken in the matter. However, if the ICC is of the opinion that the allegation against the Respondent has been proved, it shall recommend to one of the directors of the Company:
- 7.1.1. to take action for Sexual Harassment as a misconduct including a written apology, counselling, written warning to the perpetrator (with a copy maintained in the relevant Employee's file), reprimand or censure, transfer, withholding of pay rise or increments and/or promotion, transfer, community service, suspension or termination depending upon the severity of the incident of Sexual Harassment; or
- 7.1.2. to deduct from the salary of the Respondent such sum as it may consider appropriate to be paid to the Aggrieved Person.

## **8. MALICIOUS COMPLAINTS**

- 8.1. This Policy shall not be used by Aggrieved Person for raising false or malicious complaints.
- 8.2. If the ICC arrives at the conclusion that the allegation against the Respondent is malicious or the Aggrieved Person has made the complaint knowing it to be false or the Aggrieved Person has produced any forged or misleading document, the ICC may recommend to the Employer that appropriate disciplinary action be taken against such Aggrieved Person or against the person making such complaint.
- 8.3. The action recommended by the ICC against the Aggrieved Person in case of malicious complaint shall be similar to the ones proposed for the Respondent in case of substantiated complaints.
- 8.4. While deciding malicious intent, the ICC shall consider that mere inability to substantiate a complaint need not mean malicious intent. Malicious intent must be clearly established through a separate inquiry.

## **9. PROTECTION OF THE AGGRIEVED PERSON**

- 9.1. The Company recognizes the sensitivity attached to matters pertaining to Sexual Harassment and the importance of ensuring that the complaint and connected information is kept confidential. Therefore, to protect the interests of the Aggrieved Person, confidentiality will be maintained throughout the investigatory process to the extent practicable.
- 9.2. The Company will provide security to the Aggrieved Person if such a need is felt and take necessary action against any Employee attempting to intimidate the Aggrieved Person. This will help instil confidence in other Employees to come forward if they believe they have been subjected to Sexual Harassment.

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- 9.3. The penal consequences of Sexual Harassment and the order constituting the ICC will be displayed at conspicuous places in the Workplace (including the places the Employees of the Company frequent) to help strengthen this Policy.

## **10. MISCELLANEOUS**

- 10.1. The Company reserves the right to amend the provisions of this Policy, from time to time, as it deems fit, subject to applicable law.
- 10.2. Any act of Sexual Harassment shall be considered as misconduct under the applicable policies and service rules of the Company and may lead to such action being initiated including and up to termination of the Employee from employment.
- 10.3. A brief shall be given to all existing employees regarding the features of this Policy immediately on formulation of the Policy and to new employees during their initial induction.
- 10.4. The Company shall also conduct periodic awareness programs on half yearly basis for the benefit of employees to sensitize them on sexual harassment and their rights against sexual harassment. Further the company will provide POSH training to all new joiners during the induction.
- 10.5. Nothing contained in these rules shall operate in derogation of any law for the time being in force or to the prejudice of any right of any employee under any other rules or law.
- 10.6. The ICC shall prepare an annual report calendar year with the following details and shall submit the same to the Company to include in its annual report:
- 10.6.1. Number of complaints of sexual harassment received during the year;
  - 10.6.2. Number of complaints disposed-off during the calendar year;
  - 10.6.3. Number of cases pending for more than 90 (Ninety) days;
  - 10.6.4. Number of workshops or awareness program against sexual harassment carried out;  
and
  - 10.6.5. Nature of action taken by the employer.

## **11. RECOMMENDATIONS**

- 11.1. The Company encourages all Employees to provide their recommendations/observations on this Policy.
- 11.2. All recommendations/observations may be forwarded to the HR department, at [posh@arthan.finance](mailto:posh@arthan.finance)

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## ANNEXURE A

### **SOME EXAMPLES OF SEXUAL HARASSMENT AT THE WORKPLACE**

#### A. Visual Conduct:

- Leering
- Making sexual gestures
- Displaying sexually suggestive or explicit objects, pictures (still or moving), cartoons, graffiti or posters in any manner, including as part of e-mail transmissions

#### B. Verbal Conduct:

- Whistling and catcalls
- Foul or obscene language
- Making or using derogatory comments which are sexual in nature
- Explicit discussions about sexual activities/behaviors
- Comments about a person's physical attributes
- Spreading rumors about another person's sexual activities/conduct and/or partners
- Jokes which contain offensive, obscene or lascivious content
- Sexual advances / Sexual propositions
- Sexual innuendo or double entendre

#### C. Written Conduct:

- Suggestive, obscene or propositioning letters, notes, greeting cards or invitations, including but not limited to those transmitted via e-mail
- Displaying pictures (still or moving), cartoons, graffiti or posters in writing, including but not limited to e-mail

#### D. Physical Conduct:

- Unwelcome touching
- Sexual assault
- Kissing / Hugging / Grabbing
- Coercing another person to participate in sexual intercourse or other sexual behaviours
- Impeding or blocking movements
- Any physical interference with normal work or movement
- Sexual gestures

**ANNEXURE B****INDEX OF MEMBERS OF THE INTERNAL COMPLAINTS COMMITTEE****Maharashtra State**

<b>SR. NO.</b>	<b>NAME OF MEMBER</b>	<b>NATIONALITY</b>	<b>POSITION</b>	<b>CONTACT DETAILS</b>
1.	Ruiee Jadhav	Indian	Presiding Officer	9820748583; <a href="mailto:ruiee.jadhav@arthan.finance">ruiee.jadhav@arthan.finance</a>
2.	Pravash Dash	Indian	Member	99200777955; <a href="mailto:pravash@arthan.finance">pravash@arthan.finance</a>
3.	Kunal Mehta	Indian	Member	9619033285; <a href="mailto:kunal@arthan.finance">kunal@arthan.finance</a>
4.	Anisha Patnaik	Indian	External Member	9819869443; <a href="mailto:anisha@lexstartpartners.com">anisha@lexstartpartners.com</a>

**Odisha State**

<b>SR. NO.</b>	<b>NAME OF MEMBER</b>	<b>NATIONALITY</b>	<b>POSITION</b>	<b>CONTACT DETAILS</b>
1.	Ruiee Jadhav	Indian	Presiding Officer	9820748583; <a href="mailto:ruiee.jadhav@arthan.finance">ruiee.jadhav@arthan.finance</a>
2.	Nampally Chandrashekar	Indian	Member	7032909817; <a href="mailto:Chandrashekar.Nampally@arthan.finance">Chandrashekar.Nampally@arthan.finance</a>
3.	Samarendra Kundu	Indian	Member	7364036267; <a href="mailto:samarendra.kundu@arthan.finance">samarendra.kundu@arthan.finance</a>
4.	Anisha Patnaik	Indian	External Member	9819869443; <a href="mailto:anisha@lexstartpartners.com">anisha@lexstartpartners.com</a>

**Andhra Pradesh State**

<b>SR. NO.</b>	<b>NAME OF MEMBER</b>	<b>NATIONALITY</b>	<b>POSITION</b>	<b>CONTACT DETAILS</b>
1.	Ruiee Jadhav	Indian	Presiding Officer	9820748583; <a href="mailto:ruiee.jadhav@arthan.finance">ruiee.jadhav@arthan.finance</a>
2.	Nampally Chandrashekar	Indian	Member	7032909817; <a href="mailto:Chandrashekar.Nampally@arthan.finance">Chandrashekar.Nampally@arthan.finance</a>
3.	M.V. Surya Rao Kosana	Indian	Member	9440467205 <a href="mailto:surya.kosana@arthan.finance">surya.kosana@arthan.finance</a>
4.	Anisha Patnaik	Indian	External Member	9819869443; <a href="mailto:anisha@lexstartpartners.com">anisha@lexstartpartners.com</a>

**Telangana State**

<b>SR. NO.</b>	<b>NAME OF MEMBER</b>	<b>NATIONALITY</b>	<b>POSITION</b>	<b>CONTACT DETAILS</b>
1.	Ruiee Jadhav	Indian	Presiding Officer	9820748583; <a href="mailto:ruiee.jadhav@arthan.finance">ruiee.jadhav@arthan.finance</a>
2.	Nampally Chandrashekar	Indian	Member	7032909817; <a href="mailto:Chandrashekar.Nampally@arthan.finance">Chandrashekar.Nampally@arthan.finance</a>
3.	M.V. Surya Rao Kosana	Indian	Member	9440467205 <a href="mailto:surya.kosana@arthan.finance">surya.kosana@arthan.finance</a>
4.	Anisha Patnaik	Indian	External Member	9819869443; <a href="mailto:anisha@lexstartpartners.com">anisha@lexstartpartners.com</a>