

## Prevention of Sexual Harassment (POSH) Policy

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## 1. POLICY OBJECTIVE

- 1.1 Utkarsh Small Finance Bank (“Utkarsh”, “Company”) is committed to create a safe environment where Employees are treated with respect and dignity. Utkarsh takes a strong stand and has a zero tolerance policy on the issue of sexual harassment in the Workplace. Any form of sexual harassment is strictly prohibited at Utkarsh and all individuals are responsible for helping towards assuring a Workplace free of harassment. This Policy on Prevention of Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) (“Policy”) has been framed in accordance with the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder (hereinafter referred to as “POSH Act” and “POSH Rules” respectively) in 2013, and with the intention of providing a sexual harassment free environment and addresses the prevention and redressal of sexual harassment at the Workplace for all Employees of the Company in India.
- 1.2 Commission of any act of sexual harassment as defined in the Act and in this Policy shall result in strict disciplinary action. Accordingly, while the policy covers all the key aspects of the Act, for any further clarification reference shall always be made to the Act and the provisions of the Act shall prevail.
- 1.3 Additionally, although the POSH Act specifically deals with the protection of women against sexual harassment, the Company strongly believe that all Employees, regardless of their gender, have the right to work in an environment safe from verbal or physical abuse and unsolicited or unwelcome sexual overtures. In furtherance to this objective, the Company have adopted this Policy with a gender neutral approach. The Company is committed to provide redressal against sexual harassment to all Employees, irrespective of their gender, and to take strict disciplinary action as provided under this Policy against any persons who are perpetrators of any and all forms of sexual harassment, regardless of the gender of the perpetrators.
- 1.4 This Policy comes into force with immediate effect.

## 2. SCOPE

- 2.1 This policy addresses the prevention and redressal of sexual harassment incidents (as defined in the further section) at the Workplace (as defined in the further section), and is applicable to all Employees (as defined further in the section) associated with the Company’s operations in India.
- 2.2 It is clarified that though the law governing this policy is gender specific and is designed for women stakeholders of Workplaces, this Policy, as adopted by this organization, is gender neutral in its approach and will accept sexual harassment at Workplace complaints from all genders.
- 2.3 This Policy will make specific references to guidelines which are only applicable to women Employees and Complainants, as and where required, keeping in mind the provisions of the POSH Act and POSH Rules. Those specific guidelines will not be applicable to other

Complainants, who are not women, since they do not fall under the purview of the POSH Act.

### 3. DEFINITIONS

- 3.1 Aggrieved Person or Complainant, in relation to a Workplace, is a person, of any age, and gender, whether an Employed or not, who alleges to have been subject to any act of sexual harassment by the Respondent.
- 3.2 Respondent refers to a person against whom a complaint of sexual harassment has been made by the Aggrieved/Complainant.
- 3.3 Employee for the purpose of this Policy is a person employed at the Workplace, 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 working on a voluntary basis or otherwise, whether the terms of employment are expressed or implied and includes co-worker, a contract worker, probationer, trainee, apprentice, or by any other such name.
- 3.4 Workplace for the purpose of this Policy includes the premises and offices of the Company, its affiliates, and any place visited by Employees arising out or during employment including transportation provided by the Company for undertaking such journey. Additionally, any individual representing the Company in the capacity of an "Employee", anywhere in India or outside, in existing and potential official engagements, out station travels and conferences, training and capacity building programs, including Company engagements, Company gatherings, and parties, will be considered engaging in external Workplaces of the Company. Also, all official platforms of communication, including but not limited to emails, official discussions forums, official WhatsApp group/s, and official telephone conversations with internal and/or external stakeholders of the Company will be considered as virtual Workplace for all Employees and the guidelines of this Policy will extend to them as well.
- 3.5 Employer for the purpose of the Act refers to any person or board or committee responsible for management, supervision and control of the Workplace, including formulation and administration of policies of the Company.
- 3.6 Management for the purpose of this Policy means Company's Officer or Officers/Nominee or Nominees as may be authorized in this behalf by the Promoter/Managing Director/Director who will be responsible for implementing the recommendations of the ICC within the Company.
- 3.7 Internal Complaints Committee (ICC) refers to the internal redressal committee established within the Company to receive and inquire complaints pertaining to sexual harassment at Workplace incidents and provide its final recommendations to the Employer, i.e. management of the Company for implementation. The details of the current ICC members across all locations of the Company is mentioned in Annexure A of this Policy.
- 3.8 Presiding officer means the presiding officer of the ICC and shall be a woman employed at a

senior level at the Workplace amongst the Employees.

3.9 Witness for the purpose of this Policy refers to any individual, from within, or outside the organization who has been mentioned in the narration of the Complainant or Respondent to be called upon as a validator on their part, or has been identified as a similar contributor by the ICC on its own.

#### 4. ACTIONS DEFINED AND IDENTIFIED AS SEXUAL HARASSMENT AT WORKPLACE

4.1 **Sexual Harassment:** "Sexual Harassment" includes any one or more of the following unwelcome acts or behavior (whether directly or by implication) that would cause discomfort and/or humiliate a person at whom the behavior or conduct was directed namely:

- a. Deliberate Physical contact and advances
- b. Unnecessary or unwanted bodily contact such as groping or massaging.
- c. Demand or request for sexual favors;
- d. Unwelcome sexual attention or invitations
- e. Use of abusive language or any other foul language which shows disrespect towards women.
- f. Sexually colored remarks or remarks of a sexual nature about a person's clothing or body;
- g. Showing pornography, making or posting sexual pranks, sexual teasing, sexual jokes, sexually demeaning or offensive pictures, cartoons or other materials through email, SMS, MMS etc.;
- h. Repeatedly asking to socialize during off-duty hours or continued expressions of sexual interest against a person's wishes;
- i. Giving gifts or leaving objects that are sexually suggestive;
- j. Eve teasing, innuendos and taunts, physical confinement against one's will or any such act likely to intrude upon one's privacy;
- k. Persistent watching, following, contacting of a person; and any other unwelcome physical, verbal or non-verbal conduct of sexual nature.
- l. Non-verbal behavior such as staring, leering, or gestures;
- m. Sexual Innuendos or veiled threats;
- n. Displaying or sharing offensive images such as posters, videos, photos, cartoons, screensavers, emails, or drawings that are derogatory or sexual;

4.2 The following circumstances if it occurs or is present in relation to any sexually determined act or behavior, **amount to sexual harassment:**

- a. Implied or explicit promise of preferential treatment in employment;
- b. Implied or explicit threat of detrimental treatment in employment;
- c. Implied or explicit threat about the present or future employment status;

4.3 Sexual harassment, which is **harassment specifically** based on sex, can take two forms:

- a. **Hostile Work Environment:** Conduct that has the purpose or effect of unreasonably interfering with an Employee's work performance or creating an intimidating, hostile, or offensive working environment; and
- b. **Quid Pro Quo Harassment:** Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when submission to such conduct is made either explicitly or implicitly a term or condition of an Employee's employment, or when submission to or rejection of such conduct by an Employee is used as the basis for employment decisions affecting that Employee.

#### 4.4 Important Pointers

The list and details given above are not exhaustive. While it is not possible to list all those additional circumstances that may constitute sexual harassment, there could be some instances of conduct which if unwelcome, may constitute sexual harassment depending upon the totality of the circumstances including the severity of the conduct and its pervasiveness.

It is the reasonable perception of the Aggrieved individual that would be relevant in determining:

- a. Whether the conduct was sexual in nature, and, if so, whether such conduct was unwelcome or not; and/or
- b. That their objection to such conduct would disadvantage them in connection with their employment including [hiring, dismissal, performance appraisal, promotion/demotion, assignments, monetary appraisal] evaluation, grading, recruitment or promotion; or
- c. If the conduct in question creates a hostile working environment.

Sexual Harassment may occur not only where a person uses sexual behaviour to control, influence or affect the career, salary or job of another person, but also between co-workers, it may also occur between an Employee and someone that Employee deals with in the course of his/her work who is not employed by the Company. Sexual harassment can happen regardless of the individuals' gender, gender identity, or gender expression and can, for example, occur between same-sex individuals as well as between opposite-sex individuals, and does not require that the harassing conduct be motivated by sexual desire.

All the above is prohibited through any mode of communication including in person, over the phone, on voice mail, through pen and paper, on e-mail, through chat, through SMS or any other form of communication.

Sexual harassment does not refer to occasional compliments of a socially acceptable nature. It refers instead to unwelcome sexually determined behaviour, or pattern of conduct, that would cause discomfort and/or humiliate a woman at whom the behaviour or conduct was directed.

## 5. INTERNAL COMPLAINTS COMMITTEE

5.1 The Company has constituted Internal Complaints Committee ("ICC") in its Head office, Central Processing Center (CPC) and Zonal offices to address and redress complaints of sexual harassment. As per the POSH Act, the ICC shall comprise of:

- a. A Presiding Officer ("Presiding Officer"), who shall be a woman Employee at a senior level

in the Company; not less than two Members ("Members") from amongst Employees preferably committed to or who have had experience in social work or have legal knowledge; one member ("External member") from amongst non-government organizations or associations committed to the cause of women or a person familiar with the issues relating to sexual harassment;

- b. At least one half (50%) of the total members so nominated shall be women.
- c. Any changes in the composition of the ICC can be approved by the Bank's Executive Committee.

5.2 The Company has extended the availability of the ICC to receive complaints of all Employees, irrespective of their gender. The details of the current ICC members across all locations of the Company is mentioned in Annexure A of this Policy.

5.3 The email ID of the ICC is [icc@utkarsh.bank](mailto:icc@utkarsh.bank). This email ID shall be used by any Complainant to send their complaint of sexual harassment at Workplace to the ICC.

5.4 The ICC as the redressal committee is responsible for:

- a. Receiving complaints of sexual harassment at the Workplace;
- b. Initiating and conducting inquiry as per the established procedure under law;
- c. Submitting findings and final recommendations on complaints of sexual harassment at Workplace which will be implemented by the Company;
- d. Maintaining strict confidentiality throughout the process as per established guidelines; and
- e. Ensuring absolute transparency in its activities, disclosing necessary information to the respective stakeholders when required and investigating the complaints while abiding by the principles of natural justice.

## 6. PROCEDURE & GUIDELINES

### 6.1 Filing a Complaint

- a. Any Aggrieved Individual who has experienced or has been subjected to any act of sexual harassment by an Employee shall be entitled to lodge a complaint with the ICC. The complaint must be submitted in writing within a period of three (3) months from the date of incident and in case of a series of incidents, within a period of three (3) months from the date of last incident. This may be extended for a further period of three (3) months, if circumstances warrant such extension in the opinion of the ICC
- b. The ICC can initiate inquiry on the complaint only if the complaint is in writing. In case a complaint may be conveyed verbally to any member of the ICC, the member of the ICC to whom the complaint is made or any other member of the ICC shall render all reasonable assistance to the Aggrieved Person for making the complaint in writing.
- c. Anonymous complaints cannot be accepted by ICC at any point in time.
- d. The complaint must contain a description of the event (s) as well as the names and contact email/phone number of Witnesses if any. Supporting documents, if available, such as letters, transcription of text messages etc., supporting the complaint of sexual harassment at

Workplace against the Respondent should accompany the complaint.

- e. The form in which the complaint is required to be made is attached as Annexure B to the Policy, and will be available with the ICC and also on appropriate electronic platform.
- f. In the event that a Complainant is unable to lodge a complaint on account of any physical or mental incapacity or death or otherwise, his/her legal heir, co-worker or any person with knowledge of the incident may make a complaint to the ICC, but only with the written consent of the Complainant.

## 6.2 Processing a complaint

- a. On receipt of a complaint, the ICC will acknowledge the receipt of the email/written letter by the Complainant within 7 working days. The further process of inquiry to be followed will be explained to the Complainant in their first meeting with the ICC.
- b. Information about the Complainant's identity: It is important for the Complainant to understand that even though the process is confidential, the Respondent will be informed of the Complainant and any Witnesses and persons directly involved in the complaint process will also learn of the Complainant's identity.
- c. If the ICC determines that the complaint received is of sexual harassment at Workplace and falls within the jurisdiction of the ICC, then it will proceed with the inquiry.
- d. If the complaint does not fall within the definition of sexual harassment or within the ICC's jurisdiction, the complaint will be referred by the ICC to the relevant Human Resources Head for appropriate action under the relevant and applicable Company's policy.
- e. If the ICC decides to proceed with the inquiry, the ICC will send a copy of the written complaint to the respondent who is required to file its reply to the complaint with all supporting documents and list of Witnesses (if any) within ten (10) working days of receiving the copy of the complaint.
- f. The Internal Complaints Committee shall follow principle of Natural Justice while handling such complaints.

## 6.3 Conciliation before inquiry

ICC may, before initiating an inquiry take steps to settle the matter between the Complainant and the Respondent through a process of conciliation. However, the ICC can only proceed with conciliation if the Complainant expressly requests for the same. No monetary settlement shall form the basis of the conciliation and all conciliation activities shall be documented.

## 6.4 Important Guidelines with respect to inquiry conducted by ICC

- i. Timeline: In case no conciliation is arrived at, ICC shall then initiate an inquiry and finish the inquiry process within ninety (90) days from the date of receipt of the complaint.
- ii. The ICC shall follow principles of natural justice and fairness in all its proceedings and will maintain confidentiality of the identity of the Complainant, the Respondent and any Witness

involved with the inquiry.

- iii. Production of evidence by Complainant and Respondent: Both parties have the right to produce verbal or documentary evidence in their favor.
- iv. ICC's right to call and examine Witness: ICC has the right to call upon and examine the Witnesses provided by the Complainant and the Respondent and any other person as they deem fit to the inquiry.
- v. No legal practitioner can represent any party at any stage of the inquiry process.
- vi. Maintaining confidentiality:
  - i. The identity of the Complainant, Respondent, Witnesses, statements and other evidence obtained in the course of inquiry process, recommendations of the ICC and action taken by the Employer is considered as confidential, and not published or made known to public or media. Any person contravening the confidentiality clauses will be subject to disciplinary action as prescribed in the Act and internal policy of the Company.
  - ii. All individuals who are part of the ICC inquiry will need to sign a confidentiality undertaking, the format of which will be decided upon by the ICC.
  - iii. Strict consequences including but not limited to deduction or withholding of salary, permanent or temporary dismissal from the organization, and other disciplinary measures form part of the consequences in instances when an individual is found to have violated the confidentiality undertaking.
- vii. Refusal by any Employee of the Company to attend any hearing when summoned before the ICC or to provide any requested documents / information within his / her knowledge or possession shall constitute a misconduct as per this Policy and Company's Code of Conduct and attract penalties/adverse action.
- viii. In case there is any need for travel for either the Complainant or the respondent for the purpose of inquiry, the costs of travel and stay will be borne by the Company.

#### 6.5 Important guidelines while conducting investigation

- a. Quorum: In conducting the inquiry, it is mandatory for a minimum of 75% of the Members of the ICC, including the Presiding Officer to be present at each of the hearings.
- b. Right to Cross examination: Both parties have the right to cross examine each other and the Witness(es) provided by the other party. In situations when the woman Complainant does not wish to participate in a cross investigation in-person, cross examination can be conducted through a questionnaire which will be provided to the respondent via the ICC.
- c. Interim Relief for the Complainant during the pendency of the inquiry
  - i. During the pendency of an inquiry, on a written request made by the woman Complainant, the ICC may recommend the following to the Management of the Company:
    - Transfer the Complainant or the Respondent to any other location or office of the Company;
    - Grant leave to the Complainant for a period upto three (3) months;



- Restrain the Respondent from reporting on the work performance of the Complainant or writing his/her confidential report and assign the same to another officer
- ii. It is important to note that the leave granted to the Complainant shall be in addition to the leave she is otherwise entitled to.
- iii. On receiving a recommendation from the ICC, the Management of the Company shall implement the recommendations and send a report of such implementation to the ICC.

## 7. PENALTIES POST INVESTIGATION

On the completion of the inquiry, the ICC shall provide a report of its findings to the Management of the Company within a period of 10 days from the date of completion of the inquiry. A copy of the report should be given to the Complainant & Respondent.

### a. When the Complainant's allegations are not proved

- Where the ICC concludes that the allegation against the Respondent has not been proved, it shall recommend to the Management of the Company that no action is required to be taken in this matter.
- Further, upon sharing of the final report, the ICC will ensure that both parties understand that the matter has been fully investigated and concluded to the best of the efforts of the ICC and in alignment with the law, and this Policy.

### b. When the Complainant's allegations are proved

- If the ICC arrives at the conclusion that the allegation against the Respondent has been proved, it shall recommend in writing to the Management of the Company to take action against the Respondent, which may include one or more among the following:
  - i. A written apology from the Respondent;
  - ii. A letter of warning may be placed in the personal file of the Respondent;
  - iii. Reprimand or censure;
  - iv. Immediate transfer or suspension without pay;
  - v. Withholding of pay rise or increment(s);
  - vi. Undergoing a counselling session;
  - vii. Carrying out community service; and/or
  - viii. Termination from service.

### c. When the Complainant's allegations are proved to be false or with a malicious intent

- If the ICC arrives at the conclusion that the allegations against the Respondent were false and filed with a malicious intent, or if the Complainant has produced any forged or misleading document the ICC shall conclude the current case with the findings, and in the absence/presence of the approval of the alleged Respondent, initiate fresh investigation against the Complainant in consultation with the Functional Head, HR Head and CEO against the Complainant, as it may deem necessary.
- While deciding malicious intent, the ICC shall note that the mere inability to substantiate a complaint need not mean malicious intent. Malicious intent must be clearly established

through a separate inquiry that the ICC will conduct against the Complainant.

- The action recommended should be similar to the ones proposed for the Respondent in case of substantiated complaints.
- In case a Witness has given false evidence or produced any forged or misleading document during the inquiry, action may also be taken against the said Witness in accordance with the applicable policy of the Company.

## 8. COMPENSATION

8.1 The ICC may also recommend payment of compensation to the Complainant by the Respondent. For the purpose of determining the sum to be paid, the ICC shall take into account:

- i. The mental trauma, pain, suffering and emotional distress caused to the Complainant
- ii. The loss in the career opportunity (caused to the Complainant) due to the incident(s) of sexual harassment;
- iii. Medical expenses incurred by the Complainant for physical treatment or counselling; and/or
- iv. Feasibility of such payment being made in lump sum or in instalments.

8.2 The inquiry report of the ICC shall be treated as the final report and the recommendations of the ICC shall be implemented by the Company. The Company is provided sixty (60) days to implement the recommendations of the ICC.

## 9. APPEAL AGAINST THE INQUIRY

9.1 Any person Aggrieved (Complainant or Respondent) by the decision of the ICC related to the quantum or nature of penalties recommended by the ICC, can get in touch with the Management, who upon due consideration will further ask an appointed Appeal Committee to assess the appeal. The said Committee will review the request and decide upon whether the same can be shared for the reconsideration of the Management on that decision.

9.2 In case the inquiry process is conducted by the ICC and the Complainant is a woman:

Any person Aggrieved (Complainant or Respondent) by the recommendations related to the quantum or nature of penalties made by the ICC, or the non-implementation of such recommendations by the Managing Director, may file an appeal to the Appellate Authority in accordance with the Act and Rules within three (3) months from the date of the final inquiry report. (Such appellate authority is the respective Central Government Industrial Tribunal-cum-Labour Court appointed in various States). Even after the above, if the person Aggrieved is still dissatisfied, it may approach a local Civil Court of relevant jurisdiction for further redressal

## 10. NON RETALIATION

10.1 This Policy seeks to encourage all Employees to express freely, responsibly, and in an orderly way opinions and feelings about any problem or complaint of sexual harassment. Retaliation against persons who report or provide information about sexual harassment or behavior that might constitute sexual harassment is also strictly prohibited. Any act of retaliation, including

internal interference, coercion, and restraint by an Employee, violates this Policy and will result in appropriate disciplinary actions as per applicable policy of the Company.

10.2 It is important for all Employees to be aware that:

- i. Retaliation will be treated as a misconduct under applicable policy of the Company.
- ii. Retaliation against those reporting sexual harassment will not be ignored under this Policy.
- iii. Retaliation would include any hurtful employment action against an individual/s.
- iv. Suspected or actual cases of retaliation must be reported to the Head HR.
- v. Dissatisfaction with the response to a complaint of retaliation should be reported to the Head HR directly.

## 11. DUTIES AND RESPONSIBILITIES

11.1 Utkarsh shall –

- i. Provide a safe working environment at the Workplace which shall include safety from the persons coming into contact at the Workplace;
- ii. Display at any conspicuous place in the Workplace, the penal consequences of sexual harassments; and the order constituting the Internal Committee
- iii. Organize workshops and awareness program at regular intervals for sensitizing the Employees with the provisions of the Act and orientation program for the members of the Internal Committee in the manner as may be prescribed;
- iv. Provide necessary facilities to the Internal Committee or the Local Committee, as the case may be, for dealing with the complaint and conducting an inquiry;
- v. Assist in securing the attendance of respondent and Witness before the Internal Committee or the Local Committee, as the case may be;
- vi. Provide assistance to the person if she/he so chooses to file a complaint in relation to the offence under the Indian Penal Code or any other law for the time being in force;
- vii. Cause to initiate action, under the Indian Penal Code or any other law for the time being in force, against the perpetrator, or if the Aggrieved woman so desires, where the perpetrator is not an Employee, in the Workplace at which the incident of the sexual harassment took place;
- viii. Treat sexual harassment as a misconduct under the service rules and initiate action for such misconduct;
- ix. Monitor the timely submission of reports by the Internal Committee.

## 12. AMENDMENTS & UPDATES

The policy will be reviewed from time to time and revised to keep it up to date with changes in state acts and employment policies. Company may make any alteration or amendment or rescind any of the clauses of this Policy as and when it finds it necessary to do so as long as it complies with the Act.