

Navaka Social Business Fund Private Limited

(Formerly known as Yunus Social Business Fund Bengaluru Private Limited)

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Prevention of Sexual Harassment Policy

(Reviewed and approved by the Board of Directors on 26th March 2026)

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1. Introduction

1.1 Company

Navaka Social Business Fund Private Limited (“**Company**” or “**nSBF**”) is a non-banking financial company – investment and credit company (NBFC-ICC) in the Base Layer, registered with the Reserve Bank of India (RBI). The Company also acts as the investment manager to a SEBI-registered Category II Alternative Investment Fund (AIF). The Company operates from a single office in Bengaluru and employs a small team of approximately ten personnel, including permanent staff, contract workers, interns, consultants and directors. All business operations, including investment management and loan administration, are predominantly digital/SaaS-based.

1.2 Policy Statement

The Company is committed to maintaining a work environment free from sexual harassment. In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 (“**PoSH Act**”), the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules 2013 (“**PoSH Rules**”) and subsequent government advisories, this policy sets out procedures for preventing, prohibiting and redressing sexual harassment at the workplace. The Company adopts a zero-tolerance stance towards sexual harassment and requires all employees, regardless of gender or employment status, to comply with this policy. Sexual harassment constitutes misconduct and may attract disciplinary action up to and including termination.

1.3 Legal Basis

This policy is formulated pursuant to:

- i) The **PoSH Act 2013**, which mandates employers to provide a safe working environment, display the consequences of sexual harassment and constitute an Internal Committee (IC) where the organisation has ten or more employees. Section 19 of the Act outlines employer duties, including providing a safe workplace, displaying penal consequences, organising workshops and awareness programmes, providing facilities to the IC and assisting in securing attendance of parties and witnesses .
- ii) The **PoSH Rules 2013**, which prescribe the manner of constituting the IC, timelines for filing complaints and conducting inquiries, and the form and contents of the annual report.
- iii) The **Ministry of Women & Child Development (MWCD) public notice dated 12 June 2025**, which mandates registration of all organisations—public and private—on the Sexual Harassment electronic Box (“**SHe-Box**”) portal and updating of IC details . The notice emphasises that all employers must register on SHe-Box pursuant to the Supreme Court’s directions in *Aureliano Fernandes vs. State of Goa & Ors.* and that failure to register impedes complainants from filing grievances .
- iv) The **Companies (Accounts) Second Amendment Rules 2025**, effective 14 July 2025, which require companies to disclose in their Board’s report: (i) confirmation that the Company has constituted an Internal Committee in accordance with the PoSH Act; (ii) the number of sexual harassment complaints received during the year; (iii) the number of complaints disposed of; and (iv) the number of cases pending for more than ninety days . Non-compliance attracts penalties under Section 134(8) of the Companies Act 2013 .

1.4 Objectives

The objectives of this policy are to:

- i) Prevent, prohibit and redress acts of sexual harassment at the workplace through clear standards of conduct.
- ii) Constitute and empower an Internal Committee to receive complaints, conduct inquiries, recommend measures and ensure timely redressal.
- iii) Ensure compliance with statutory timelines for filing complaints, completing inquiries and implementing recommendations .

- iv) Ensure confidentiality of all proceedings and protect the dignity of complainants, respondents and witnesses .
- v) Implement SHe-Box registration, reporting and disclosure requirements to facilitate external transparency and compliance .

2. Definitions

For the purpose of this policy, the terms shall have the meanings assigned under the PoSH Act. Key terms are summarised below:

- i) **Aggrieved Woman:** A woman of any age, whether employed or not, who alleges to have been subjected to any act of sexual harassment in relation to the workplace .
- ii) **Respondent:** The person against whom the aggrieved woman has made a complaint .
- iii) **Employee:** Any person employed by the Company, whether regular, temporary, ad-hoc, contractual, intern, trainee or volunteer, including directors and consultants .
- iv) **Workplace:** The premises of the Company, any branch or administrative unit, virtual/digital platforms used for work, and any location visited by an employee arising out of or during the course of employment including transportation .
- v) **Sexual Harassment:** Includes unwelcome acts or behaviour (whether directly or by implication) such as physical contact and advances, a demand or request for sexual favours, making sexually coloured remarks, showing pornography, or any other unwelcome physical, verbal or non-verbal conduct of sexual nature and circumstances that create a hostile work environment .
- vi) **Internal Committee (IC):** The committee constituted under Section 4 of the PoSH Act to receive and inquire into complaints of sexual harassment and to recommend appropriate actions. .
- vii) **Aggrieved Person (internal code):** For the purposes of the Company’s internal code of conduct and inclusive provisions, an aggrieved person means any individual – irrespective of gender, gender identity or expression – who alleges that they have been subjected to sexual harassment within the scope of the workplace. This definition includes men, transgender, third-gender and non-binary individuals. It supplements, but does not alter, the statutory definition of “aggrieved woman” under the PoSH Act. The PoSH Act is gender-specific in defining an “aggrieved woman”; however, commentators note that the Act does contain some gender-neutral provisions, such as defining the “respondent” as a person irrespective of gender . The Company therefore extends protection to all aggrieved persons through its service rules and disciplinary processes.

3. Applicability and Scope

This policy applies to:

- i) All employees of the Company, irrespective of their gender, position or type of engagement.
- ii) All persons who visit or are connected with the Company’s operations, including clients, vendors, customers, service providers, investors, external consultants, directors and any other stakeholders.
- iii) Incidents occurring at the Company’s premises, at any place visited by employees during the course of employment (including field visits and events) and on digital platforms used for work. Sexual harassment via email, messaging applications, video conferences or any electronic medium is covered under this policy.

3.4 Gender-Neutral Coverage

While the statutory framework of the PoSH Act is limited to protection of women, the Company recognises that sexual harassment is not gender-exclusive. Harassment can affect men, transgender persons, third-gender and non-binary individuals as well. Therefore, the Company extends the safeguards of this Policy to all persons irrespective of gender as part of its internal code of conduct. Complaints by any aggrieved person, including men and non-binary individuals, shall be received and inquired into by the Internal Committee in the same manner as complaints by women. The Internal Committee’s findings in such cases will be treated as recommendations to the employer for appropriate disciplinary action under the Company’s service rules. This inclusive approach does not limit the statutory rights of women under the PoSH Act but strengthens workplace culture by ensuring dignity and respect for all genders .

4. Internal Committee (IC)

4.1 Constitution and Composition

- i) **Mandatory Constitution:** As the Company employs ten or more persons, it shall constitute an IC by issuing a formal written order.
- ii) **Composition:** The IC shall comprise the following members nominated by the Board:
 - a) **Presiding Officer:** A senior woman employee at the workplace. If no such woman is available, a senior woman employee may be nominated from another unit or organisation .
 - b) **Internal Members:** At least two employees who are committed to the cause of women or have experience in social work or legal knowledge .
 - c) **External Member:** One member from a non-governmental organisation or association committed to the cause of women or familiar with issues relating to sexual harassment . This member shall not be employed by the Company to ensure impartiality.
 - d) **Gender Representation:** At least half of the members shall be women .
- iii) **Nomination of Members:** Members shall be nominated by the Board through a written order specifying their names, designations and tenure.

4.2 Tenure and Removal

- i) **Tenure:** The Presiding Officer and other members of the IC shall hold office for a term of three years from the date of their nomination .
- ii) **Removal:** A member may be removed before completion of the term for reasons including breach of confidentiality, conviction for an offence, disciplinary proceedings or abuse of position. Upon removal, the Board shall nominate a suitable replacement in accordance with the Act.

4.3 Powers and Responsibilities

The IC shall:

- i) Receive complaints of sexual harassment and acknowledge receipt in writing within seven days .
- ii) Attempt conciliation at the request of the aggrieved woman before initiating inquiry. Monetary settlement shall not form the basis of conciliation .
- iii) Conduct a fair and timely inquiry and complete the investigation within ninety days of receipt of the complaint . The IC shall give both parties an equal opportunity to be heard and permit no legal representation .
- iv) Maintain a quorum of at least three members, including the Presiding Officer and the external member, with at least half the members being women .
- v) Issue an inquiry report summarising its findings and recommendations within ten days of completion of the inquiry and provide copies to the complainant and the respondent .
- vi) Recommend to the employer appropriate actions, including written apology, warning, reprimand, suspension, termination, counselling, community service or deduction of compensation from the respondent's wages, depending on the gravity of misconduct .
- vii) Recommend interim relief, including transferring either party, granting leave to the aggrieved woman, or restraining the respondent from reporting to her, during the pendency of inquiry .
- viii) Prepare and submit an annual report to the Company and the District Officer summarising the number of complaints received, disposed and pending, and awareness programmes conducted .

5. Complaint Mechanism

5.1 Reporting of Complaints

- i) **Mode of Complaint:** Any aggrieved woman or any other aggrieved person (as defined in Section 2) may submit a written complaint to the IC within three months from the date of the incident or last incident in a series of incidents . The IC may extend the time limit by a further period of three months if circumstances prevented filing earlier . For complaints made by aggrieved persons who are not covered under the PoSH Act, the IC shall follow the same timelines and procedures to the extent practicable and shall treat its findings as recommendations under the Company's service rules.

- ii) **Assistance for Filing:** Where the aggrieved person cannot make a written complaint, the IC shall assist in recording it . If the aggrieved person is physically or mentally incapable, a relative, friend, co-worker, special educator, psychiatrist or any person with knowledge of the incident may file the complaint with the aggrieved person’s consent. If the aggrieved person is deceased, his/her/their legal heir or any person with knowledge of the incident may file the complaint .
- iii) **Electronic Complaints:** Complaints may be filed via email or other electronic means. The email address cs@socialbusiness.fund shall be used as a dedicated mail Id for sending PoSH complaints.

5.2 Conciliation

- i) The IC may, before initiating an inquiry and at the request of the aggrieved person, attempt to settle the matter through conciliation . No monetary settlement shall be permitted.
- ii) If a settlement is reached, the IC shall record it and forward it to the employer for implementation. Copies of the settlement shall be provided to both parties .
- iii) If conciliation fails or is not pursued, the IC shall initiate formal inquiry.

5.3 Formal Inquiry

- i) The IC shall issue a notice to the respondent within seven days of receiving the complaint, enclosing a copy of the complaint and requiring a written response within ten days .
- ii) The IC shall provide the complainant and respondent an opportunity to present their cases, including evidence and witnesses. The inquiry shall be completed within ninety days .
- iii) Confidentiality shall be maintained throughout the inquiry process .
- iv) The IC may recommend interim relief during the inquiry as specified in Section 12 of the Act .

5.4 Inquiry Report and Recommendations

- i) The IC shall prepare a reasoned report of its findings within ten days of completion of the inquiry . The report shall include a summary of allegations, evidence, testimony of witnesses, analysis and conclusions.
- ii) The report shall be forwarded to the employer and copies shall be provided to the complainant and respondent .
- iii) If the IC concludes that sexual harassment has occurred, it shall recommend to the employer appropriate disciplinary action and compensation to the aggrieved woman or aggrieved person, as applicable. If the allegations are not proven, the IC shall recommend that no action be taken .

5.5 Employer’s Action

- i) The Company shall act upon the IC’s recommendations within sixty days of receipt of the inquiry report .
- ii) The Company shall inform the complainant and respondent in writing of the implementation of the recommendations.
- iii) Non-implementation of the IC’s recommendations may attract penalties under the PoSH Act and may be treated as a breach of the employee’s service conditions.

5.6 Appeals

- i) Any person aggrieved by the recommendations of the IC or by the non-implementation thereof may prefer an appeal to the appropriate authority or tribunal within ninety days of the recommendations .
- ii) Appeals shall be governed by Section 18 of the PoSH Act and applicable service rules.

6. Employer Duties and Responsibilities

The Company, through its Board and management, shall:

- i) Provide a safe working environment that includes safety from persons visiting the workplace .
- ii) Display at a conspicuous place in the office and on the Company’s intranet the penal consequences of sexual harassment and the names and contact details of the IC members .
- iii) Organise workshops and awareness programmes at regular intervals for sensitising employees about the PoSH Act and conduct orientation programmes for the IC members .

- iv) Provide necessary facilities to the IC for dealing with complaints and conducting inquiries, including access to documents and digital evidence .
- v) Assist the IC in securing the attendance of parties and witnesses and make available any information the IC requires for the inquiry .
- vi) Provide assistance to the aggrieved woman if she chooses to file a complaint under the Indian Penal Code and, where the perpetrator is not an employee, initiate appropriate action .
- vii) Treat sexual harassment of any person – irrespective of gender, gender identity or orientation – as misconduct under the Company’s service rules and initiate disciplinary action accordingly .
- viii) Monitor timely submission of reports by the IC .

7. Confidentiality and Data Privacy

- i) In accordance with Section 16 of the PoSH Act, the Company, the IC and all parties involved in the complaint process shall maintain strict confidentiality. No publication or communication of the contents of the complaint, respondent’s identity, witness statements or inquiry proceedings shall be made .
- ii) Disclosure of information related to the complaint or inquiry to any unauthorised person shall constitute misconduct and may attract penalties or disciplinary action.
- iii) Records of complaints and inquiries shall be kept securely, accessible only to authorised persons.

8. False or Malicious Complaints

- i) A mere inability to substantiate a complaint or provide adequate proof shall not attract action against the complainant .
- ii) If the IC concludes that a complaint is false, malicious or supported by forged or misleading documents, it may recommend action against the complainant or any person who has made the complaint under Section 14 of the PoSH Act .
- iii) Before recommending action under this clause, the IC shall give the complainant an opportunity to explain their conduct.

9. Training, Awareness and Capacity Building

- i) The Company shall organise sensitisation programmes for all employees at least once each financial year. Training shall cover awareness of definitions, the complaint mechanism, employees’ rights and responsibilities, bystander duties, and the consequences of violations. Sensitisation shall emphasise that sexual harassment can occur irrespective of gender and shall promote an inclusive workplace culture .
- ii) The Company shall conduct orientation and capacity-building programmes for IC members to enable them to conduct inquiries in accordance with principles of natural justice and statutory timelines .
- iii) The IC shall take steps to promote awareness through posters, emails, webinars and inclusion of the PoSH policy in the employee handbook.

10. SHe-Box Registration and External Reporting

- i) The Company shall register itself on the SHe-Box portal maintained by the Ministry of Women & Child Development and shall upload details of its IC, including names, designations and contact information of members . The Company shall ensure that the information is kept up to date, particularly upon any change in the composition of the IC.
- ii) The Board shall designate a senior employee as the **Nodal Officer** for SHe-Box registration and compliance. The Nodal Officer shall not be an IC member. Responsibilities include maintaining login credentials, submitting updates, receiving notifications of complaints filed through the portal and coordinating with the IC for resolution.
- iii) Registration on SHe-Box shall be completed immediately following adoption of this policy and shall be renewed or updated as and when required by the MWCD or district authorities.

11. Annual Reporting and Board Disclosures

- i) **Annual Report to District Officer:** The IC shall prepare an annual report in each calendar year, detailing the number of complaints received, disposed of, pending, cases where action has been

taken, and awareness programmes conducted. The report shall be submitted to the employer and the District Officer by 31 January of the following year . Even if no complaints are received during the year, a “NIL” report shall be submitted .

- ii) **Board’s Report Disclosures:** Pursuant to the Companies (Accounts) Second Amendment Rules 2025, the Board’s report shall include:
 - a) A statement confirming that the Company has complied with the provisions constituting an IC under the PoSH Act .
 - b) Disclosure of the number of sexual harassment complaints received during the year, the number disposed of, and cases pending for more than ninety days .
 - c) Any additional disclosures mandated by the Ministry of Corporate Affairs from time to time.
- iii) Failure to include these disclosures may attract penalties under Section 134(8) of the Companies Act 2013 .

12. Protection Against Retaliation

- i) The Company shall ensure that no employee who raises a complaint of sexual harassment is victimised or discriminated against. The Company shall take appropriate steps to protect the complainant and witnesses from retaliation during and after the inquiry.
- ii) Retaliation includes termination, demotion, loss of benefits, unfavourable work assignments, or any act of intimidation or threat. Such retaliation shall be treated as misconduct and subjected to disciplinary proceedings.

13. Review and Revision

- i) This policy shall be reviewed annually by the Board or sooner if there are changes in legislation or upon recommendations from the IC.
- ii) Any amendments to the policy shall require approval of the Board and shall be communicated to all employees.

14. Administration and Adoption of Policy

- i) The Nodal Officer shall be responsible for administering this policy, ensuring that it is circulated among all employees, published on the Company’s website and displayed in a conspicuous place at the office.
- ii) The policy shall come into effect on the date of its approval by the Board and shall remain in force until repealed or replaced.