



WHISTLE BLOWER POLICY AND VIGIL MECHANISM OF

VISAGAR FINANCIAL SERVICES LIMITED

1. PREFACE

- 1.1 Visagar Financial Services Limited (hereinafter referred to “VFSL” or “Company” in this document) believes in conducting all its affairs in a fair and transparent manner, by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has adopted a Code of Conduct for Directors and Senior Management Personnel (“the Code”), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2 The Company is committed to comply with Section 177 (9) of the Companies Act, 2013 which requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns and providing proper safeguards and access to the Chairperson of the Audit Committee in the manner as provided in sub section (10).
- 1.3 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, *inter alia*, provides for a mandatory requirement for all listed companies to establish a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct.

2. POLICY

In compliance of the above requirements, VFSL, being a Listed Company has established a Vigil Mechanism/ Whistle Blower Policy in order to provide a framework to protect such whistleblowers who wishes to raise a concern about serious irregularities within the Company.

3. POLICY OBJECTIVES

- 3.1 To provide a platform to Directors and Employees to raise their genuine concerns regarding any irregularity, misconduct or unethical matters / dealings within the group which have a negative bearing on the organisation either financially or otherwise.

3.2 To encourage all its stakeholders to communicate and raise any behavior or practice, they may be aware of and suspect to be unethical, illegal or otherwise inappropriate and harmful to the company to an internal authority so that action can be taken immediately to resolve the problem.

4. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

- a. **“Audit Committee”** means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- b. **“Code”** means the Code of Conduct for Directors and Senior Management as adopted by the Company.
- c. **“Director”** means a Director appointed to the Board of Directors of the Company or other group as the case may be.
- d. **“Employee”** means every Employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- e. **“Vigilance and Ethics Officer”** means an Employee of the Company appointed by the Company to handle the complaint under this policy and ensure appropriate actions. The Vigilance and Ethics Officer will assist the Audit Committee in implementation of this Policy.
- f. **“Investigators”** mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee and include the Auditors of the Company and the Auditor of the Group as the case may be and can include the external law enforcement agencies.
- g. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- h. **“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, includes the person which
 - Provide full cooperation to the investigation team.
 - Be informed of the outcome of the investigation
 - Accept the decision of the Audit Committee
 - Maintain strict confidentiality
- i. **“Whistleblower”** means an Employee or Director making a Protected Disclosure under this Policy.

5. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

6. ELIGIBILITY

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company and the Group.

7. SCOPE

This Policy is intended to cover serious concerns that could have a significant impact on the Company and the Group, such as actions (actual or suspected) that involve:

- Failure to comply with legal/ regulatory obligations.
- Any miscarriage of justice or its likelihood of occurrence.
- Breach of Company's Code of Conduct
- Any act which may lead to incorrect financial reporting and not in line with applicable company policy.
- Situations which endanger the health or safety of Employees or the Public
- Financial irregularities, including fraud, or suspected fraud.
- Criminal offence.
- Abuse of authority with malafide intentions.
- Pilferation of confidential/propriety information.
- Deliberate violation of law/regulation.
- Insider Trading
- Sexual Assault
- Corruption & Bribery
- Violation of Human Rights
- Any instance/act detrimental to the image/reputation of the group.
- Any other form of improper action or conduct.
- Deliberate concealment/attempts to conceal information relating to any of the above.

The above list is only illustrative and should not be considered as exhaustive.

8. ROLE OF WHISTLE BLOWER

8.1 The Whistle blower's role is that of a reporting party with reliable information. He/ She is not required or expected to act as investigators or finders of facts, nor would he/ she determine the appropriate corrective or remedial action that may be warranted in a given case.

8.2 Whistle blower should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities Committee or the Investigators.

8.3 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

9. REPORTING MECHANISM OF PROTECTED DISCLOSURES

9.1 All Protected Disclosures or complaints to be reported by the Whistle blowers as soon as possible after the matter comes to light to avoid undue delay or complexities.

9.2 Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle blower.

9.3 The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle blower. The Vigilance and Ethics Officer or the Chairman of the Audit Committee, as the case may be shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.

9.4 Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information.

9.5 All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

Name & Address-

- **Mr. Arvind Desai, Chairman – Audit Committee**

907-908, Dev Plaza, 9th Floor,
Opp. Andheri Fire Station, S V Road,
Andheri - West, Mumbai - 400058

- **Mr. Tilokchand Kothari, Director**

907-908, Dev Plaza, 9th Floor,
Opp. Andheri Fire Station, S V Road,
Andheri - West, Mumbai - 400058

10. EXCLUSIONS

10.1 Anonymous Complaints: Complainants must provide their name and contact details with each complaint. Investigations of the complaints are not possible unless the source of information is identified especially since such source is critical for reporting back. Hence, complaints received anonymously will not be investigated, however, that does not preclude the Chairman of the Audit Committee to initiate the investigation independently considering the seriousness of the issue raised and/or the extent of evidence provided.

10.2 Reporting of matters of personal nature, either personal or matters regarding other person(s), which are in no way connected to the ethical well being of the Organization.

11. INVESTIGATION

- 11.1 All Protected Disclosures reported under this Policy will be recorded and thoroughly investigated by the Vigilance and Ethics Officer / Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any Member of the Audit Committee has a conflict of interest in any given case, then he/she should rescue himself/herself and the other members of the Audit Committee should deal with the matter on hand.
- 11.2 The Vigilance and Ethics Officer / Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- 11.3 The decision to conduct an investigation taken by the Vigilance and Ethics Officer / Chairman of 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.
- 11.4 The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 11.5 Subject(s) will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 11.6 Subject(s) shall have a duty to co-operate with the Vigilance and Ethics Officer/ Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 11.7 Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle blower. Subject(s) shall be free at any time to engage counsel at his/her own cost to represent them in the investigation proceedings.
- 11.8 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- 11.9 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 11.10 Subject(s) have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

11.11 The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

12. PROTECTION TO WHISTLE BLOWER

12.1 VFSL prohibits and discourages the retribution against anyone for raising or for helping to address integrity concerns. A genuine whistle blower is protected from any damage to his/her career, name or reputation.

12.2 No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy.

12.3 Harassment or victimization of the whistle blower will not be tolerated and could constitute sufficient grounds for disciplinary action including dismissal of the Employee, causing such harassment.

12.4 Every effort will be made to protect the identity of the Subject(s) and the Whistle Blower to the extent possible given the legitimate needs of law and the investigation.

12.5 Whistle blowers are encouraged to immediately report any acts of retribution that have happened to them, due to the fact that they made a disclosure.

12.6 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

13. DECISION AND REPORTING

13.1 If an investigation leads the Vigilance and Ethics Officer/ Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer/ Chairman of the Audit Committee shall recommend the management of the Company to take such disciplinary or corrective action as they may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

13.2 The Vigilance and Ethics Officer shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

14. REPORTING & REVIEW

The competent Authority shall submit a quarterly report of the protected disclosures, received and of the investigation conducted and of the action taken to the Audit Committee for review.

15. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

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

16. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven (7) years or such other period as specified by any other law in force, whichever is more.

17. CONFIDENTIALITY

The complainant, Vigilance Officer and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

18. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to the Employees and Directors in writing.
