WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Ess Kay Fincorp Limited

(Erstwhile Ess Kay Auto Finance Private Limited)

WHISTLE BLOWER POLICY & VIGIL MECHANISM

I Objective

ESS KAY believes in the conduct of its business and affairs in a fair and transparent manner by adopting highest standards of professionalism, integrity and ethical behavior. Any actual or potential exceptions to the same would be a matter of serious concern of ESS KAY.

It is in the best interests of the organisation that such exceptions are reported for taking timely remedial measures, immediate as well as long term. While ESS KAY employees have always been expected to practice ethical behavior and be vigilant to any exceptions coming to their knowledge, the same responsibility is now being codified by way of a "Whistleblower Policy".

The said policy has been developed to ensure that Alleged Serious Breach is investigated confidentially, promptly and to give protection to persons who disclose Alleged Serious Breach so that they report the same without any fear of victimization or adverse action.

II Definitions

The definitions of some of the key terms used in this Policy are given below:

(1) "Alleged Serious Breach" includes:

(a) violation of law;

(b) Mismanagement of affairs or resources of ESS KAY;

(c) corrupt or criminal conduct or conduct affording reasonable grounds for dismissing or dispensing with, or otherwise terminating, the services of Employees who was, or is engaged in that conduct or reasonable grounds for disciplinary action;

(d) Conduct involving substantial risk to public health or safety or to the environment;

(e) Financial irregularity;

(f) Actual or suspected fraud or involvement of Employees in any fraudulent activity;

(g) Criminal offence caused or conducted by Employees;

(h) Any infringement of ESS KAY's code of conduct and business ethics or abuse of authority by any Employee and shall also include abuse of vulnerable actions

(i) By any Employee whether physically, sexually, financially, psychologically / emotionally or through neglect or discrimination.

(2)“ESS KAY” shall mean Ess Kay Fincorp Limited (Erstwhile Ess Kay Auto Finance Pvt. Ltd.)

(3) “Audit Committee” shall mean the Audit Committee constituted by the Board of Directors of ESS KAY in accordance with the provisions of Section 177 of the Companies Act, 2013.

(4) “Business Day” shall mean any day (other than a Sunday or a Public Holiday) on which ESS KAY’s offices are officially open for business.

(5) “Competent Authority” shall have the meaning assigned to it under Paragraph III of this Policy.

(6) “Complaint” shall mean a Complaint submitted in writing by a Whistleblower under and in terms of the Provisions of this Policy. Anonymous / Unsigned Complaints would not be entertained.

(7) “Employee” shall mean all employees (whether temporary or permanent) of ESS KAY, and for the purposes of this Policy, include the Directors of ESS KAY. Include those associated with ESS KAY in any manner i.e. On Rolls, FTH, Contract, Retainer-ship, Consultant, etc.

(8) “Good Faith” shall mean the belief of the Whistleblower that the Complaint is true, correct and without malice, which shall be deemed lacking when the Whistleblower does not have personal knowledge of the facts for the Complaint or where the Whistleblower knew or reasonably should have known that the complaint is malicious, false or frivolous, or where the Whistleblower failed to exercise due care while making a Complaint under this Policy.

(9)“Investigator(s)” shall mean the person(s), including a Service Provide, appointed by the Competent Authority for the purpose of conducting an investigation in relation to any Complaint under this Policy.

(10)“Policy” shall mean the Whistleblower Policy of ESS KAY, as amended from time to time.

(11)“Service Provider” shall mean and include valuers, legal advisors, accounts, consultancy firms or any other person providing professional service of any nature and also includes suppliers / providers of any goods or other services to ESS KAY in ordinary course of business.

(12)“Subject” means a person, against or in relation to whom, a Complaint has been made under this Policy.

"Whistleblower" means any Employee who complains to the Competent Authority or against the Competent Authority of any Alleged Serious Breach.

III Competent Authority

(1) The authority competent to consider the Complaint made under this Policy shall be as follows:

Sr. No.	Competent Authority	Category of Whistleblower
A	Chairman of the Audit Committee or any member of Audit Committee	(i) Managing Director (MD) and / or Chief Executive Officer (CEO) (ii) Business Head (BH) and / or Functional Head (FH), if MD and / or CEO has either not resolved the Compliant or failed to resolve Complaint to the satisfaction of BH and / or FH (iii) Employee(s) working under respective BH and / or FH, if BH and / or FH OR Compliance Officer and / or Head HR AND MD and / or CEO has either not resolved the Compliant or failed to resolve Complaint to the satisfaction of said Employee (iv) Any third person who is not an Employee
B	MD and / or CEO	(i) BH or FH (ii) Employee(s) working under respective BH and / or FH provided BH and / or FH AND Compliance Officer and / or Head HR has either not resolved the Compliant or failed to resolve the Complaint to the satisfaction of said Employee
C	Compliance Officer and / or Head HR	Employee(s) working under respective BH and / or FH provided BH and / or FH has either not resolved the Compliant or failed to resolve the Complaint to the satisfaction of said Employee
D	BH or FH	Employee(s) working under respective BH and / or FH

(2) If the Competent Authority (excluding Chairman of the Audit Committee or any member of Audit Committee) himself / herself is subject or the Complaint is not resolved by Competent Authority at first level then Whistleblower can Complaint to the next immediate level

IV <u>Procedure</u>

(1) Any Employee who observes or notices or has, in Good Faith, reason to believe the occurrence of any Alleged Serious Breach, may, in Good Faith, make a Complaint to the Competent Authority as soon as possible after becoming aware of the same.

(2)All Complaints of Alleged Serious Breach shall be in writing and signed by the Whistleblower and shall be addressed to the Competent Authority. One Copy of such Complaint should also be sent to the members of the Audit Committee or Board at their email address at esskaywb@gmail.com,who would ensure that Complaint is addressed by Competent Authority.

(3)Every Complaint shall contain specific and sufficient details to enable the Competent Authority to take an informed decision on the admissibility of the Complaint and investigation into the same, and shall include:

(a)Name, address and contact number of the Whistleblower;

(b)Name(s) of the Subjects(s) and his / her / their designations(s), if known

(c) Nature and detailed facts of the Alleged Serious Breach;

(d) Information or copy (ies) of the documentary proof or evidence in support of the Complaint, if any;

(e) The impact / effect, either monetary or otherwise, on ESS KAY, if possible; and

(f) A confirmation by the Whistleblower that her / she is willing to substantiate the Alleged Serious breach referred to in the Complaint, appear and testify before the investigator(s), as and when called by the Investigator(s) and otherwise co-operate in the investigation of the Complaint.

(4)The Complaint shall be delivered at the registered office of ESS KAY in a sealed envelope address to the Competent Authority super scribed "Whistleblower Policy" on top of the envelope or by way of an e-mail.

(5) Any anonymous complaint received under this Policy will not normally be processed. However, depending upon the materiality of the Alleged Serious Breach and credibility of supporting evidence / information provided, the Competent Authority may decide to consider the Complaint and investigate into the same.

(6) Subject to other provisions of this Paragraph IV (Procedures), all Complaints received under this Policy shall be investigated by the Component Authority either by himself/herself or through Investigator(s), if any, appointed by the Competent Authority. The investigation shall be carried on in a fair manner and in accordance with the applicable laws, without presumption of guilt.

(7) The Subject shall co-operate with the Competent Authority or Investigator(s) during the investigation and shall not interfere in the process of investigation. In the event the Subject interferes or causes any interference or attempts to cause any interference in the investigation proceedings, he / she shall be subject to such disciplinary action as may be deemed appropriate in the circumstances.

(8) The procedure to be followed in any investigation shall be decided by the Competent Authority. Subject to the applicable laws and legitimate needs of the investigation, the process of investigation shall be kept confidential.

(9) The Competent Authority shall, within 7 (seven) Business Days of receipt of the Complaint, decide on admission of the Complaint and investigation into the same, and wherein it decides to investigate, may appoint the Investigator(s) for conducting the investigation into the Complaint and where such Investigator is a Service Provider, determine the terms and conditions of appointment.

(10)The Investigator(s) shall, as far as possible, complete the investigation within 15 (fifteen) Business Days of the receipt of the Compliant by the Competent Authority.

(11) The Investigator(s) shall submit to the Competent Authority, a report of their investigation with 7 (seven) Business Days from the date of completion of the investigation.

V **<u>Decision:</u>**

(1) If the report by the Competent Authority or by Investigator(s) leads to the conclusion that the Alleged Serious Breach, with respect to which a Compliant had been made, has been committed, it shall recommend to the management or to the Audit Committee of ESS KAY, as may be appropriate in the circumstances, to take suitable disciplinary action against the concerned Subject.

(2) If the Competent Authority is of the view that a Complaint made under this Policy is false or otherwise than in Good Faith, it shall recommend to the management or to the Audit Committee of ESS KAY, as may be appropriate in the circumstances, to take suitable action against the concerned Whistleblower.

VI **<u>Protection of Whistleblower's Interests:</u>**

(1)A Whistleblower shall be protected from victimization, discrimination, intimidation, demotion, termination of service, or any other form of unfair treatment brought out to him / her by virtue of his

/ her making a Complaint under this Policy. Such unfair treatment shall constitute sufficient ground for disciplinary action against the person who practices the same in respect of the Whistleblower.

(2)If the Whistleblower is subjected to unfair treatment, he / she may make a complaint of the same to the Competent Authority, who shall investigate into the same and recommend such disciplinary or corrective action to the management, as he / she may deem fit.

(3)Subject to the legal constraints, and except when disclosure of the identity of Whistleblower is necessitated for the purpose of investigation of the Complaint, every effort shall be made to keep the identity of the Whistleblower confidential.

(4)Any person, who assists an investigation into any Complaint under this Policy, shall also be given the same protection as a Whistleblower.

VII <u>False Allegation and Legitimate Employment Action:</u>

(1) Any Whistleblower who's Complaint under this Policy is found to be otherwise than in Good Faith, shall be disqualified from making further Complaints under this Policy. In addition, the Competent Authority may recommend to the management to take such action against him / her as may be deemed appropriate in the circumstances.

(2) This Policy may not be used as a defense by a Whistleblower against whom an adverse action has been / is being taken by ESS KAY, independent of the Complaint made by him / her and for legitimate reasons or causes.

VIII <u>Reporting Requirements:</u>

The Competent Authority shall submit or caused to be submitted to the Audit Committee, quarterly reports in respect of all Complaints received under this Policy.

IX <u>Annual Affirmation:</u>

ESS KAY may annually affirm in the Director's Report that it has not denied any Whistleblower access to the Competent Authority and that it has provided protection to Whistleblowers as envisaged under this Policy.

X <u>Retention of Documents:</u>

All Complaints along with the evidences gathered during the investigation and results and other investigation documents relating thereto, shall be retained by ESS KAY for a minimum period of 7 (seven) years.

XI <u>Notification:</u>

This Policy, as amended from time to time, shall be uploaded on the internet and website of ESS KAY for information of all concerned.

XII Amendment:

ESS KAY 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 shall be binding unless the same is notified in writing.

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VIGIL MECHANISM

PREAMBLE

Section 177 of the Companies Act, 2013 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 in such manner as may be prescribed.

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.

POLICY

In compliance of the above requirements, Ess Kay Fincorp Limited (Erstwhile Ess Kay Auto Finance Private Ltd.), being a Listed Company has established a Vigil Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.