

## **Whistle Blower Policy**

### **Background**

VFS Capital requires its officers, employees, and all persons who provide VFS Capital with contracted services to observe high standards of business and personal ethics in the performance of their duties on behalf of VFS Capital. All VFS Capital employees and representatives (hereinafter referred to as protected persons) are expected to practise honesty and integrity in fulfilling their responsibilities and are required to comply with all applicable laws and regulations.

### **Statutory provisions**

Section 177 (9) of the Companies Act, 2013 requires VFS Capital to constitute a vigil mechanism so that acts of transgression and infarctions are dealt with quickly.

### **The policy**

VFS Capital has formulated its Whistle-Blower Policy to provide a mechanism to encourage and enable the protected persons to raise—without fear of retaliation—concerns regarding suspected unethical and/or illegal conduct or practices on a confidential, and, if necessary, anonymous basis so that appropriate and corrective action can be taken at the organization level.

The policy is in effect.

### **Scope and protection**

VFS Capital has formulated its Whistle-Blower Policy to provide a mechanism to encourage and enable the protected persons to raise—without fear of retaliation—concerns regarding suspected unethical and/or illegal conduct or practices on a confidential, and, if necessary, anonymous basis so that appropriate and corrective action can be taken at the organization level.

It will be the responsibility of all protected persons to report in good faith any concerns that they have regarding actual or suspected activities that violate VFS Capital's policies on accounting practices or audit irregularities, and to report risks arising out of fraud/theft, or instances of misuse of company's assets. The protected persons may also report instances of violation of personal ethical standards and the company's service rules. No protected person acting in good faith shall suffer intimidation, harassment, retaliation, discrimination or adverse employment consequence.

However, any abuse of this protection will warrant disciplinary action. A whistle-blower who makes three or more protected disclosures that are found to be false, frivolous or malicious or reported otherwise than in good faith, will be disqualified from further reporting under this policy. Also, the Whistle-Blower Policy is not an employment contract and does not modify the employment relationship of the protected person.

VFS Capital will take steps not only to minimize difficulties that a whistle-blower may experience but also protect any other employee who assists the whistle-blower.

### **Procedure**

All disclosures by protected persons should be addressed to a person of sufficient seniority who is not connected with the day-to-day activities of VFS Capital to ensure neutrality and transparency of any action taken based on the disclosed information. Accordingly, all such disclosures should be addressed to the Chairman of the Audit Committee of the Board of Directors.

His contact details are as under:

Dr Sankar Datta,

E-mail id: dattasankar65@gmail.com

**Address**

Flat No 413, Manasarovar Heights,  
Phase -2,  
Hasmatpet, Near RTC Colony,  
Trimulgherry,  
Secunderabad 500 009  
Telangana, India

Appropriate care must be taken to keep the identity of the whistle-blower confidential. Disclosures made by a protected person or protected disclosures should preferably be reported in writing or through e-mail to ensure clarity and understanding. It will be written in English, Hindi or in the regional language of the place where the whistle-blower works. The protected disclosure should not be frivolous or speculative and should contain as much specific information as possible, to allow proper assessment and investigation. The protected person may or may not disclose his/her identity. The Chairman of the Audit Committee will acknowledge the communication within a reasonable time.

**Investigation**

The Chairman of the Audit Committee shall investigate thoroughly all such disclosures or have them suitably investigated by others. The decision to conduct an investigation is not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not substantiate the disclosure. The subject of the disclosure i.e., the person reported against, will normally be informed of the allegation and shall get an opportunity to defend himself/herself. It will be his/her duty to co-operate with the investigation process, and not obstruct or influence it in any manner. No allegation of wrong-doing against a subject shall be maintainable unless there is good evidence in support of the allegation.

The investigation shall be completed within 30 days of the receipt of the protected disclosure. All investigations shall be independent and unbiased. If the findings of the investigation lead the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, he will recommend to the management of the Company to take such disciplinary action, as may be deemed fit. Any disciplinary action initiated against the subject shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

**Reporting**

The Audit Committee of the Board will deliberate at its meetings all such disclosures made by protected persons and their disposal.

**Retention of document**

All protected disclosures (in hard copy format) and the findings of the investigation shall be preserved for at least seven years.

**Circulation**

VFS Capital shall distribute a copy of this Whistle-Blower Policy to all protected persons.

Last reviewed by the Board at its meeting on May 18, 2018