



WHISTLE BLOWER POLICY

A. Introduction

Dar Credit & Capital Limited (hereafter referred to as "Company" in this document) believes in promoting a fair, transparent, ethical and professional work environment. While the Company code of conduct defines the expectations from employees in terms of their integrity and professional conduct, the Vigil mechanism defines the mechanism for reporting deviations from the standards defined in the code.

The Whistle Blower Policy (Vigil mechanism) is implemented not only as a safeguard to unethical practices. This Vigil mechanism is intended to provide mechanism for reporting genuine concerns or grievance and ensure that deviations from the Company's Business Conduct Manual and Values as communicated to all the employees through Email are dealt with in a fair and unbiased manner as provided in Section 177 (9) and (10) of the Companies Act, 2013 and the applicable Companies Rules, 2014. The mechanism is also intended to cover the Whistle blower Mechanism aspect as per Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**").

B. Policy

Section 177(9) of Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Power) Rules, 2014, *inter-alia*, provides the requirement for every listed companies and certain class or classes of companies to establish a vigil mechanism as prescribed therein (subject to amendments from time to time) for the directors and employees to report genuine concerns or grievances. Further, section 177(10) *inter-alia* provides for adequate safeguards measures against victimisation of persons who use such vigil mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Further, SEBI LODR Regulations outline requirements which are optional in nature for a SME Listed Company, *inter-alia*, contains similar requirements for establishment of a Vigil Mechanism under term "Whistle Blower" as listed below:

"Reg. 4(2)(d)(iv) requires our Company to devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their respective bodies, to freely communicate their concerns about illegal or unethical practices.

Reg. 46(2)(e) requires our Company to disseminate details of establishment of vigil mechanism/Whistle Blower policy."

The Board of Directors of our Company adopted this policy at its meeting held on 05th November, 2024, which can be amended from time to time.

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C. Definitions

Definitions of some of the key terms used in this mechanism are given below:

- a. Protected disclosure: Any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the Company.
- b. Whistle-blower: An individual who makes a protected disclosure under this mechanism. This could be an Employee, Director, Vendor, Supplier, Dealer and Consultant, including Auditors and Advocates of Company.
- c. Audit Committee: An audit committee is an operating committee formed by the Board of Directors in accordance with Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Power) Rules, 2014 and charged with oversight of financial reporting and disclosure.
- d. Board of Directors: A body of elected or appointed members who jointly oversee the activities of the Company.
- e. Ombudsperson: An authorized person for the purpose of receiving all complaints under this Policy and ensuring appropriate action. In the first instance, the Board recognize the Chairman of Audit Committee as Ombudsperson.
- f. Code of Conduct: A set of rule outlining the responsibilities of or proper practices for an individual, party or organization. In this case, it refers to Company's Code of Conduct for Employees and Company's Code of Conduct for Senior Management and Directors.
- g. Investigators/ Whistle Officer: Selected employees or third parties charged with conducting investigations to ascertain the creditability of such whistle-blower complaints.
- h. "Reportable Matter" or "Alleged Misconduct" : An unethical behaviour, actual or suspected fraud, violation of law, breach of Company's Code of Conduct, Company Policies and Guidelines
- i. Subject: means a person against whom, or in relation to whom a Protected Disclosure is made.

D. Guiding principles of the Vigil mechanism

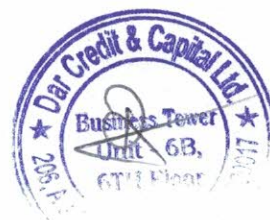
To ensure effective implementation of Vigil mechanism, the Company shall:

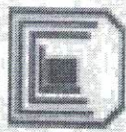
- a. Ensure protection of the whistle-blower against victimization for the disclosures made by him/her.
- b. Ensure complete confidentiality of the whistle-blower identity and the information provided by him/her.
- c. Ensure that the protected disclosure is acted upon within specified timeframes and no evidence is concealed or destroyed.
- d. Ensure that the investigation is conducted honestly, neutrally and in an unbiased manner.

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- e. Ensure whistle-blower would not get involved in conducting any investigative activities other than as instructed or requested by Ethics Committee or Chairman of the Audit Committee.
- f. Ensure the subject or other involved persons in relation with the protected disclosure be given an opportunity to be heard.
- g. Ensure disciplinary actions are taken against anyone who conceals or destroys evidences related to protected disclosures made under this mechanism.

E. Protection for whistle-blower

- a. A whistle-blower would be given the option to keep his/ her identity anonymous while reporting an incident to the Audit Committee. The Company will make no attempt to discover the identity of an anonymous whistle-blower. If the whistle-blower's identity becomes known during the course of the investigation, Company will ensure that the identity of the whistle-blower will be kept anonymous and confidential to the extent possible, unless required by law or in legal proceedings.
- b. A whistle-blower reporting issues related to sexual harassment, child labour, discrimination, violation of human rights would necessarily need to disclose their identity to enable effective investigation.
- c. Any other employee serving as witness or assisting in the said investigation would also be protected to the same extent as the whistle-blower.
- d. The Audit Committee would safeguard the whistle-blower from any adverse action. This includes discrimination, victimization, retaliation, demotion or adoption of any unfair employment practices.
- e. Protection under this Vigil mechanism would not mean protection from disciplinary action arising out of false allegations made by a whistle-blower.
- f. A whistle-blower may not be granted protection under this Vigil mechanism if he/she is subject of a separate complaint or allegations related to any misconduct.
- g. If a complainant believes that she or he have been treated adversely as a consequence of their use of the Vigil mechanism can approach the Whole time Director of Company in confidence.

F. Coverage of the Vigil mechanism

All employees, directors; vendors, suppliers, dealers and consultants, including auditors and advocates who are associated with Company can raise concerns regarding malpractices and events which may negatively impact the Company.

- a. Inaccuracy in maintaining the Company's books of account and financial records;
- b. Financial misappropriation, fraud and suspected fraud;
- c. Procurement fraud;
- d. Conflict of interest;
- e. False expense reimbursements;
- f. Misuse of company assets & resources;
- g. Inappropriate sharing of company sensitive information;
- h. Corruption & bribery;
- i. Ethical practices;
- j. Insider trading;
- k. Unfair trade practices & anti-competitive behaviour;
- l. Non-adherence to safety guidelines;
- m. Sexual harassment;

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- n. Child labour;
- o. Discrimination in any form;
- p. Violation of human rights;
- q. Retaliation.

G. Reporting mechanism

1. Employees may raise "Reportable Matter" or "Alleged Misconduct" within 30 (thirty) days after becoming aware of the same to the Audit Committee.
2. The "Reportable Matter" or Alleged Misconduct" is reported in detail to Audit Committee
3. Employees have a right to make a Protected Disclosure directly to the Chairman of the Audit Committee by writing a letter / email marked as Private and Confidential and addressed to the Vigilance Officer of the Company or The Chairman of the Audit committee.

H. Process of Inquiry/ Investigation

1. Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than thirty (30) consecutive days after becoming aware of the same.
2. Whistle Blower must put his/her name to allegations. Concerns expressed anonymously will not be investigated.
3. If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision will be documented.
4. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose.
5. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
6. Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.
7. The Ombudsperson/Whistle Officer/Committee shall:
 - 7.1. Make a detailed written record of the Protected Disclosure. The record will include:
 - 7.1.1. Facts of the matter
 - 7.1.2. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - 7.1.3. Whether any Protected Disclosure was raised previously against the same subject;
 - 7.1.4. The financial / otherwise loss which has been incurred / would have been incurred by the Company.
 - 7.1.5. Findings of Ombudsperson / Whistle Officer / Committee;
 - 7.1.6. The recommendations of the Ombudsperson / Whistle Officer / Committee on disciplinary / other action/(s).
 - 7.2. The Whistle Officer/Committee shall finalize and submit the report to the Ombudsperson within forty-five (45) days of being nominated /appointed.

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8. On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:

8.1. In case the Protected Disclosure is proved, accept the findings of the Whistle Officer / Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;

8.2. In case the Protected Disclosure is not proved, extinguish the matter;

Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

Everyone working for or with the Company including the Subject shall have a duty to co-operate in the investigation of reports of violations. Failure to co-operate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment.

The Whistle Blower and Subject have a right to be informed of the outcome of the investigation. If, at the conclusion of its investigation, the Company determines that a violation has occurred, it will recommend the effective remedial action commensurate with the nature of the offence to the Board. These actions may include disciplinary action against the Subject, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

I. Protection Against Victimization:

No unfair treatment will be meted out to a Whistle Blower by virtue of his / her having reported a Protected Disclosure under this Policy in Good Faith. The Company will take reports of such retaliation / victimization seriously. Incidents of retaliation / victimization against any Whistle Blower reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting Whistle Blower may also be subject to civil, criminal and administrative penalties.

A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

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

J. Role of investigator

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- a. A structured approach should be followed to ascertain the creditability of the charge.
- b. Ensure the confidentiality and secrecy of the issue reported and subject is maintained.
- c. Provide timely update to the Audit Committee on the progress of the investigation.
- d. Ensure investigation is carried out in independent and unbiased manner.
- e. Document the entire approach of the investigation.
- f. Investigation Report including the approach of investigation should be submitted to the Audit Committee with all the documents in support of the observations.

K. Maintaining secrecy and confidentiality

Company expects individuals involved in the review or investigation to maintain complete confidentiality. Disciplinary action may be initiated against anyone found not complying with the below:

- a. Maintain complete confidentiality and secrecy of the matter.
- b. The matter should not be discussed in social gatherings or with individuals who are not involved in the review or investigation of the matter.
- c. The matter should only be discussed only to the extent or with the persons required for the purpose of completing the investigation.
- d. Ensure confidentiality of documents reviewed during the investigation should be maintained.
- e. Ensure secrecy of the whistle-blower, subject, protected disclosure, investigation team and witnesses assisting in the investigation should be maintained.

L. Disqualification

1. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
2. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
3. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.

M. Management decision

- a. Board of Directors will take disciplinary or corrective action against the Subject as per the Company's disciplinary procedures and can also take legal action, if warranted.
- b. The decision of Board of Directors should be considered as final and no challenge against the decision would be entertained, unless additional or material information becomes available at a later stage.
- c. In case of frivolous or false complaints, action may be taken against the complainant.

N. Right to amendment

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The Company holds the right to amend or modify the Policy. Any amendment or modification of the Policy would be done by an appropriate authority as mandated in law. The updated Vigil mechanism would be shared with the employees, suppliers and vendors thereafter.

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