

# VIGIL MECHANISM/WHISTLE BLOWER POLICY

## Preamble

Kwality Credit & leasing Ltd. (hereinafter “Company”) believes in promoting a fair, transparent, ethical and professional work environment. While the company’s 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 Vigil mechanism is implemented not only as a safeguard to unethical practices. This 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 are dealt with in a fair and unbiased manner as provided in Section 177 (9) and (10) of the Companies Act, 2013 and the Companies Rules, 2014. The mechanism is also intended to cover the Whistleblower Mechanism aspect of the applicable regulations of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter “Listing Regulation(s)”), as amended from time to time. The company shall ensure protection to the whistleblower and any attempts to intimidate him/her would be treated as a violation of the Code.

This policy has been amended by the Board of Directors and shall be effective from December 1, 2015.

## Definitions

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

- **“Company”** means Kwality Credit & leasing Ltd.
- **“Employee”** means every employee of the Company including the Directors in the employment of the Company.
- **“Protected Disclosure”** means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- **“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 and charged with oversight of financial reporting and disclosure.
- **“Whistleblower”** means an Employee or director making a Protected Disclosure under this Policy.
- **“Subject”** means a person against whom, or in relation to whom a Protected Disclosure is made.
- **“Vigilance Officer”** is a person, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

## Scope

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

- Inaccuracy in maintaining the Company's books of account and financial records
- Financial misappropriation and fraud
- Procurement fraud
- Conflict of interest
- False expense reimbursements
- Misuse of company assets & resources
- Inappropriate sharing of company sensitive information
- Corruption & bribery
- Insider trading
- Unfair trade practices & anti-competitive behaviour
- Non-adherence to safety guidelines
- Sexual harassment
- Child labor
- Discrimination in any form
- Violation of human rights

## Eligibility

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company

## Procedure

All Protected Disclosures concerning financial/accounting matters should be addressed to the the Vigilance Officer of the Company for investigation.

All Protected Disclosures should be reported in writing by the complainant as soon possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as "**Protected disclosure under the Whistle Blower policy**" or sent through email with the subject "**Protected disclosure under the Whistle Blower policy**". If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases. The contact details of the Vigilance Officer are as under:-

**Name** : Bhagwan Das Soni  
**Designation** : Managing Director and Compliance Officer  
**Address** : 27, Weston Street, 5<sup>th</sup> Floor, Room No. 526, Kolkata – 700 012  
**Email ID** : [kwalitycredit50@yahoo.com](mailto:kwalitycredit50@yahoo.com)

In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants and they are not advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer.

On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

## **Investigation**

- All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company.
- Subject(s) will normally be informed of the allegations at the commencement of a formal investigation and will be given opportunities for providing their inputs during the investigation.
- 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, threatened or intimidated by the subject(s).

## **Role of investigator**

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

## **Decision and Reporting**

- If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- 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.
- A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.
- A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company

## **Protection**

- No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimisation of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.
- The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

## **Management Decision**

- Audit Committee will take disciplinary or corrective action against the Subject as per the Company's disciplinary procedures and can also take legal action, if required.
- The decision of the Audit Committee should be considered as final and no challenge against the decision would be entertained, unless additional information becomes available.
- In case of frivolous or false complaints, action may be taken against the complainant.

## **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 years.

## **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.