

WHISTLE BLOWER POLICY



Content Management

Document Control	
Title	Whistle Blower Policy
DOC ID/ Number	BCPL/2024-16
Policy Owner	Compliance Team
Last date of update	21/02/2024
Version Number	2024_V1
Reviewed by	Whole Time Director
Approved by	Board of Directors

Version	Updates	Reviewed Date	Approved by
2024_V1	Whistle Blower Policy	21/02/2024	Board of Directors

Review/Revision of policy:

This policy document will be reviewed and revised by the policy owner with approval of board of directors in response to changed circumstances, and in any event, at intervals of not more than one year or shorter review periods as may be stipulated by the board of directors.

Regulatory Reference:

RBI/DoR/2023-24/106, DoR.FIN.REC.No.45/03.10.119/2023-24 Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated October 19, 2023.

Section 177 of the Companies Act, 2013 and Establishment of Vigil Mechanism Rules.

Table of Contents

1. Introduction & Objectives.....	4
2. Eligibility & Scope	5
3. Key words & meanings.....	5
4. Role of a Whistle Blower/Complainant	6
5. Procedure	6
6. Investigation.....	7
7. Reporting.....	8
8. Disqualification.....	8
9. Secrecy/ Confidentiality.....	9
10. Protection	9
11. Decision	9
12. Retention of documents	10
13. Administration and review of policy	10

1. Introduction & Objectives

Blacksoil Capital Private limited (herein referred to as “BCPL” or “the Company”) is a Systemically Important, Non-Deposit taking, Non-Banking Finance Company (NBFC-ND-SI) registered with RBI. It is base layer NBFC as defined under master directions Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023, RBI/DoR/2023-24/105 DoR.FIN.REC. No.45/03.10.119/2023-24 dated 19 October 2023.

BCPL provides debt facility to growth companies, Financial Institutions and Supply Chain Financing for SME channel partners for their purchases and sales invoices.

a. This Policy seeks to define and establish the mechanism for employees, Directors and stakeholders of Blacksoil Capital Private Limited ('hereinafter referred to as the 'Company') on the framework for reporting instances of unethical/ improper conduct and actioning suitable steps to investigate and correct the same.

b. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the Code of Conduct ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined. There is a provision under the Code requiring employees to report the Code violations

c. The Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, provides for a mandatory requirement for all listed companies and Companies which accept deposits from the public, Companies which have borrowed money from Banks and PFI in excess of Rs.50 crores to establish a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct.

d. Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide a channel to the employees to report to the management concerns about misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, disclosure and other matters or activity on account of which the interest of the Company is affected. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

The purpose of the Whistle Blower Policy is as follows:

- To encourage the employees and other parties to report unethical behaviors, malpractices, wrongful conduct, fraud, violation of the Company's policies & values, violation of law by any employee of the Company without any fear of retaliation.
- To build and strengthen a culture of transparency and trust within the organization.

2. Eligibility & Scope

The policy applies to all Directors, Employees, customers, dealers, vendors, suppliers or any stakeholders associated with the Company. They are eligible to make Protected Disclosures under the Policy. Career related or other personal grievances are not a part of the scope of this policy.

The Protected Disclosures include but are not limited to the following communication:

- Misappropriation and criminal breach of trust
- Accounting or auditing irregularities or misrepresentations
- Fraudulent encashment through forged instruments, manipulation of books of accounts or through fictitious accounts and conversion of property
- Asset Misappropriation, involving:
 - Theft of cash on hand
 - Fraudulent disbursements
 - Ghost employees
 - Cheque tampering
 - Overstated or fictitious expenses
 - Teeming and lading
- e) Bribery, kickbacks and other corrupt business practices
- f) Negligence and cash shortages
- g) Violation of applicable laws or regulations or of the Code of Conduct
- h) Misuse of company information
- k) Discrimination or harassment

3. Key words & meanings

- a. "Employee" means every employee of the Company (whether working in Mumbai or any other branch offices), including the Directors in the employment of the Company.
- b. "Code" means the Code of Business Conduct of Blacksoil Capital Private Limited.
- c. "Board" means the Board of Directors of the Company.
- d. "Chief Vigilance Officer (CVO)" is the Nodal officer of the Company nominated by the Board of Directors of the Company to receive Protected Disclosures from Whistle Blowers, maintaining records thereof, placing the same before the Audit Committee and informing the Whistle Blower the result thereof.

- e. "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- f. "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.
- g. "Whistle Blower" means an Employee or any other Stakeholder making a Protected Disclosure under this Policy.
- h. "Audit Committee" means a Committee constituted by the Board of Directors of the Company.
- i. "Investigators" mean that person authorized, appointed, consulted or approached by the CVO/Audit committee and includes the audit of the Company.

4. Role of a Whistle Blower/Complainant

The Whistle Blower's role is that of reporting party with reliable information. They are not required to tact as investigators nor would determine the appropriate or remedial action. They should also not act nor participate in any investigation activities unless warranted otherwise. Details of Whistle Blower will not be disclosed and will remain confidential at all times to the extent possible and permitted under law.

5. Procedure

- a. For the purpose of implementation of the Policy, the Executive Director shall act as the Chief Vigilance Officer (CVO).
- b. All Protected Disclosures concerning about misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected financial/accounting matters should be addressed to the Chief Vigilance Officer.

b. The contact details of the Chief Vigilance Officer:
Address: C/o. Chief Vigilance Officer, Blacksoil Capital Private Limited 1203, Lodha Supremus, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013
Or email can be sent to vigilance@blackscoil.co.in
- c. The Protected Disclosure against the CVO/ Executive Director should be addressed to the Chairperson of the Audit Committee at:

Address: C/o. The Chairperson of the Audit Committee, Blacksoil Capital Private Limited 1203, Lodha Supremus, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013

- d. If a protected disclosure is received by any executive of the Company other than the CVO, the same should be forwarded to the CVO for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.
- e. 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.
- f. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The CCVO shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- g. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- h. For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/her identity in the covering letter forwarding such Protected Disclosure. No need to mark a copy of the communication to anyone in the Company.
- i. In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he/ she can make a direct appeal to the Chairperson of the Audit Committee by way of a letter addressed to the Chairperson of the Audit Committee.

6. Investigation

- a. All Protected Disclosures under this Policy will be recorded and thoroughly investigated in a reasonable time frame. The CVO/ Chairperson of the Audit Committee (AC) may investigate and may at its discretion consider involving any other officials/ agencies.
- b. The decision to conduct an investigation taken by the CVO/Chairman of 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.
- c. The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- d. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- e. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Board and/or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject are not sustainable, then the Company may see reason to reimburse such costs.

- f. Subjects 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.
- g. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- h. Subjects 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.
- i. Subject(s) have a right to be informed of the outcome of the investigations and the disciplinary measures may include the following:

Oral or written censure

- Suspension from duty with pay, reduced pay, without pay
- Restrictions on access
- Removal of privileges or benefits
- Reassignment
- Assignment to lower position
- Reduction in future pay
- Ineligibility for promotion for a period
- Termination of appointment
- Legal Action

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

7. Reporting

A Half yearly report with number and nature of complaints received under the Policy (if any) and their outcome shall be placed before the Audit Committee.

8. Disqualification

A Whistle Blower who makes false allegations of unethical & improper practices or about wrongful conduct of the subject to the Chief Vigilance Officer or to the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. Secrecy/ Confidentiality

- The Whistle Blower, Chief Vigilance Officer, Members of Audit Committee, the Subject and everybody in Discuss only to the extent or with those persons as required under this Policy for completing the process of investigations.

involved in the process shall:

- Maintain confidentiality of all matters under this Policy
- Not keep the papers unattended anywhere at any time.
- Keep the electronic mails / files under strict confidence.

10. Protection

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- b. 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.
- c. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

11. Decision

If an investigation leads the CVO to conclude that an improper or unethical act has been committed, the CVO shall recommend to the management of the Company to take such disciplinary or corrective action as he 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.

12. 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 five years such other period as specified by any other law in force, whichever is more.

A whistleblower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the Company.

13. Administration and review of policy

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

The Policy shall be reviewed by the Audit Committee/ Board of Directors of the Company on a periodical basis.