

PURPLE FINANCE LIMITED

Vigil Mechanism and Whistle-Blower Policy

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I. Preface:

The Companies Act, 2013 read with rules and regulations requires the Company to establish a vigil mechanism for the Directors and Employees to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the Company's Fair Practice and Code of Conduct. Such a vigil mechanism shall provide for adequate safeguards against victimization of Directors and Employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee/ Board of the Company, as may be applicable in certain exceptional cases.

II. Policy:

In compliance of the above requirements, Purple Finance Limited (“PFL” or “the Company”), has set up and adopted the following Vigil Mechanism/Whistle Blower Policy which lays down the principles and standards governing the management of grievances and concerns of Employees and Directors of the Company and shall be overseen by the Audit Committee/ Board of the Company, as may be applicable.

III. Policy Objectives:

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil Mechanism/Whistle Blower Policy provides a channel to the Employees and Directors to report the Management concerns about unethical behaviour, actual or suspected fraud.

IV. Scope of the Policy:

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company involving:

- Misuse or abuse of authority
- Bribery / corruption;
- Manipulation of Company data / records;
- Disclosure of confidential / proprietary information to unauthorized personnel;
- Financial irregularities, including fraud, or suspected fraud;
- Criminal activity or offence affecting operations or functioning of the Company;
- Unauthorized disclosure of confidential / propriety / price sensitive information;
- Deliberate violation of laws / regulations / legal obligations;
- Wastage / misappropriation of Company's funds/ assets;
- Breach of code of conduct of the Company or the policy for prevention of sexual harassment or any other rule or policy as may be formulated by the Company from time to time;
- Breach of terms and conditions of employment and rules thereof; and
- Any other unethical, biased, favoured or fraudulent activity which may affect the interests or reputation of the Company.

This Policy 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 or a grievance about a personal situation.

V. Definitions:

“Act” means the Companies Act, 2013 and all the rules thereunder as amended from time to time.

“Audit Committee” means the Audit Committee as formed by the Board of Directors under the Companies Act, 2013.

“Board” means the Board of Directors of the Company.

“Disciplinary Committee” means a committee consisting of the Directors of the Company specifically set up to review and take action on all disciplinary matters pertaining to the Company. The members of the Disciplinary Committee shall be:

1. Mr. Rajeev Deoras, Executive Director;
2. Mr. Sabyasachi Rath, Chief Executive Officer; and
3. Ms. Shradha Padhi, Chief Peoples Officer.

“Director” means the members of the Board.

“Employee/s” shall mean all the employees in the permanent employment of the Company.

“Protected Disclosure” means a concern raised by an employee or group of employees of the Company through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity (as defined in the Scope of this policy) to the Disciplinary Committee / Executive Vice Chairman / Executive Director as required.

“Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

“Whistle Blower” means an employee or group of employees who make a Protected Disclosure under this policy.

VI. Whistle-Blower Complaint and Investigation:

- All Employees shall be eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.
- All Protected Disclosures shall be addressed by the Whistle Blower to the Disciplinary Committee of the Company for investigation at dc@purplefinance.in as soon as possible but not later than 15 (fifteen) days after he/she becomes aware of the information and should be specific and verifiable.
- If the protected disclosure is against any member of the Disciplinary Committee, the same shall be addressed to amitabh.chaturvedi@purplefinance.in.

- If the protected disclosure is against Mr. Amitabh Chaturvedi, the same shall be addressed to the Board of Directors of the Company.
- In order to protect the identity of the Whistle Blower, the Disciplinary Committee will not issue any acknowledgement to the Whistle Blower and the Whistle Blower is/are advised not to enter into any further correspondence with the Disciplinary Committee in their own interest to protect their identity.
- Anonymous / Pseudonymous disclosure shall not be entertained by the Disciplinary Committee.
- All Protected Disclosures shall be thoroughly investigated by the Disciplinary Committee of the Company. In case of any conflicts of interest, members of the Board or the relevant member of the Disciplinary Committee, as the case may be, shall recuse themselves from the investigation of any Protected Disclosure.
- External investigators may be engaged depending on the discretion of the Disciplinary Committee.
- During the investigation, the identity of the Whistle Blower shall be kept confidential to the extent possible.
- The Disciplinary Committee shall endeavour to complete the investigation within 45 days of receiving the Protected Disclosure on behalf of the Audit Committee/ Board of the Company, as may be applicable.
- The Board shall be kept informed at all times by the Disciplinary Committee on the status of the investigation.
- The decision to conduct an investigation by itself is not an acceptance of the accusation and is to be treated as a neutral fact-finding process.
- Unless there are compelling reasons not to do so, subjects will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept in accordance with the applicable law. All records of reports and investigations shall be retained for a minimum period of 7 years from the date of the relevant report and/or investigation.

VII. Confidentiality:

The Whistle Blower, Members of the Disciplinary Committee and the Audit Committee/Board, the Subject and everybody involved in the process shall:

- Maintain confidentiality of all matters under this Policy;
- Discuss only to the extent or with those persons as required under this policy for completing the process of investigations;
- Not keep the papers unattended anywhere at any time; and
- Keep the electronic mails / files under password.

VIII. Guiding Principle:

No adverse action shall be taken or recommended against any one in retaliation to disclosure / reporting a concern in good faith of any unethical behaviour, actual or suspected fraud or violation of the Company's Fair Practice and Code of Conduct. This Policy shall protect such Employees and Directors from unfair termination and unfair prejudicial employment practices.

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company shall:

- Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- Treat victimization as a serious matter, including initiating disciplinary action on person/(s) indulging in victimization;
- Ensure complete confidentiality;
- Not attempt to conceal evidence of the Protected Disclosure;
- Take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure made/to be made;
- Provide an opportunity of being heard to the persons involved especially to the Subject; and
- In cases where the Subject is aware of the identity of the Whistle Blower, the performance appraisal of such Whistle Blower shall not be undertaken by the Subject

IX. Protection of Whistle Blower:

- No adverse action shall be taken against any Whistle Blower for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's code of conduct and ethics.
- Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

X. Disqualifications:

- 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.
- 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.
- Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted, he shall also be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.
- If the report of investigation is not to the satisfaction of the Whistle Blower, the Whistle Blower has the right to report the event to the appropriate legal or investigating agency.

XI. Rights of Subjects:

- Unless there are compelling reasons not to do so, Subjects will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- Subjects shall have a duty to co-operate with the Committee/the Board during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- Subjects shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.
- Subjects shall 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.
- Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

XII. Decision:

If an investigation leads the Disciplinary Committee to conclude that an improper or unethical act has been committed, the Disciplinary Committee shall recommend to the Management of the Company to take such disciplinary or corrective action as the Disciplinary Committee deems fit.

XIII. Reporting:

The Disciplinary Committee shall submit a report to the Board on a quarterly basis regarding all investigations referred since the last report submitted together with the results of investigations, if any. All such reports and records shall be considered confidential information and access shall be restricted on need to know basis and shall not be disclosed to the public except as required by any legal requirements or regulations or by any Company policy in place at that time.

XIV. Review:

This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to any notifications and directions issued by the relevant Act or under any other law applicable, from time to time. The Policy shall be reviewed by the Board of Directors of Company annually or whenever there is a significant change in the relevant laws or regulations governing the subject matter of this Policy.