

Whistle Blower Policy / Vigil Mechanism



Credila Financial Services Limited

(formerly known as HDFC Credila Financial Services Limited)

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Credila Financial Services Limited (“Company”)
(Formerly known as HDFC Credila Financial Services Limited)

Whistle Blower Policy / Vigil Mechanism (“Policy”)

Reviewing & Approving Authority

Authority	Authority Designation
Prepared By	Compliance Team
Reviewed By	Chief Compliance Officer
Recommended By	-
Approved By	Board of Directors
Date of Approval	May 16, 2025

Version History

Version	Issue Date	Brief Description
V.1	Oct 10, 2023	Appointment of Chief Compliance Officer as the Vigilance and Ethics Officer
V.2	Jul 24, 2024	Change in contact details of the Vigilance and Ethics Officer
V.3	April __, 2025	Amended Whistle Blower/Vigil Mechanism Policy
V.4	May 16, 2025	Annual Review of the Policy

Review Frequency

This Policy as approved shall be reviewed once in two years and as and when required.

Contents

1.PREFACE	4
2. APPLICABILITY AND SCOPE.....	4
3. DEFINITIONS.....	5
4. RECEIPT AND REDRESSER OF PROTECTED DISCLOSURES.....	5
5.INVESTIGATION.....	7
6. DECISION AND REPORTING.....	7
7. SECRECY / CONFIDENTIALITY	8
8. PROTECTION FOR WHISTLE BLOWER.....	8
9. COMMUNICATION	9
10. RETENTION OF DOCUMENTS.....	9
11. ADMINISTRATION AND REVIEW OF THE POLICY	9

1. PREFACE

Credila Financial Services Limited (formerly known as HDFC Credila Financial Services Limited) (hereinafter referred to as ‘Credila’/‘Company’) is committed to adhering to the highest standards of ethical, moral, legal conduct of business operations & also allows openness to its employees, probity and accountability. In line with that commitment, we expect all our stakeholders including directors, employees and service providers (such as agency, vendor, contractor or any outsourced partner etc.) who have actual/suspected concerns about misconduct, unethical/improper practice, actual or suspected fraud etc. to come forward and express these concerns without fear of punishment or unfair treatment.

2. APPLICABILITY AND SCOPE

This Whistle Blower Policy/Vigil Mechanism (the ‘Policy’) is formulated in terms of relevant provision under Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 2 of Chapter II of RBI Master Directions on Fraud Risk Management in Non-Banking Financial Companies (NBFCs), Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and any other relevant circular(s) issued by RBI and SEBI from time to time in this regard.

The Company follows its Corporate Governance Code (“Code”) in letter & spirit; therefore, this Policy is framed to work as an extended arm of our Code & is not only implemented to work as a safeguard against unethical practices but it is intended to provide mechanism for communication & reporting genuine concerns or grievances and ensuring that deviations from the Company’s values to be dealt in a fair and unbiased manner.

The Policy intends to cover serious concerns/malpractice that have taken place or are suspected to take place in relation to:

- Corruption & bribery.
- Misuse or abuse of authority.
- Misuse of Company’s resources & assets.
- Manipulation of the Company's data/records.
- Fraud or suspected fraud.
- Violation of company rules, policies, code of conduct.
- Insider trading.
- Negligence causing danger to public health, safety.
- Misappropriation of funds.
- Exercise of inappropriate powers to secure business contracts
- Any unlawful act whether Criminal/Civil.
- leak of unpublished price sensitive information.
- Other activities on account of which the interest of the Company or of the public at large is affected.

The following shall be excluded from the purview of this Policy:

- Personal Grievances.
- Workplace harassment.
- Dissatisfaction with appraisals.
- Sexual harassment.

Further, the Policy is applicable to all the Employees, Directors of the Company and other Stakeholders (“stakeholder”) such as borrowers, Co-borrowers, Partners, Direct Selling Agents, Vendors etc.

3. DEFINITIONS

- 3.1. **“Alleged wrongful conduct”** shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.
- 3.2. **“Audit Committee”** means a committee constituted by the Board of Directors of the Company in accordance guidelines of Companies Act, 2013.
- 3.3. **“Board”** means the Board of Directors of the Company.
- 3.4. **“Company”** means the Credila Financial Services Limited and all its Offices.
- 3.5. **“Code”** means Code of Conduct for Directors and Senior Management Executives adopted by the Company.
- 3.6. **“Employee”** means all the employees viz. – Permanent, Temporary, Full time, Part time, contractual or outsourced and Whole Time Directors of the Company.
- 3.7. **“Protected Disclosure”** means a concern raised through a written communication and made in good faith which discloses or demonstrates information about unethical or improper activity under the applicability and scope of the Policy as stated at para 2 of this Policy.
- 3.8. **“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.
- 3.9. **“Vigilance and Ethics Officer”** means an Officer appointed to receive protected disclosures from Whistle Blowers, making inquiries and/or investigation on the disclosures, maintaining records thereof & further placing the findings before the Audit Committee for its disposal and informing the Whistle Blower of the result thereof.
- 3.10. **“Whistle Blower”/ “Complainant”** means an individual who makes a Protected Disclosure as per this Policy and also referred in this policy as complainant.

4. RECEIPT AND REDRESSER OF PROTECTED DISCLOSURES.

- (a) All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.
- (b) The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy”.
- (c) In order to protect identity of the complainant, it is advised to them to neither write their name/ address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer.
- (d) Anonymous / pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer. However, the Vigilance and Ethics Officer may consider such anonymous/pseudonymous disclosures/ complaints at his discretion provided such disclosures are not vague and contain sufficient and specific allegations. Further, post initial inquiry if the complaint is found to be frivolous; same will not be considered for further investigation.

- (e) If a protected disclosure is received by any executive of the Company other than Chairperson of Audit Committee or the Vigilance and Ethics Officer, the same should be forwarded to the Company's Vigilance and Ethics Officer or the Chairperson of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.

Protected Disclosures should be addressed & forwarded under a covering letter signed by the Complainant to the Vigilance and Ethics Officer or to the Chairman of the Audit Committee/ Managing Director(s) in exceptional cases, as the case may be & they shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

- (f) 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.

- (g) The contact details of the Vigilance and Ethics Officer, Managing Director(s) & Chairman of the Audit Committee is as under:

- a) **Contact Details of Vigilance and Ethics Officer** – Chief Compliance Officer ('CCO') of the Company

Email - vigil@credila.com

Contact No.: 022-69969300

Address - 701, Windsor House, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra, India

- b) **Contact Details of the Managing Director & CEO:**

Email - vigilance@credila.com

Contact No.: 022-69969300

Address - 701, Windsor House, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra, India

- c) The Chairman of the Audit Committee can be contacted through email at chairmanac@credila.com. In exceptional circumstances basis the urgency or gravity he can be contacted on his telephone number after procuring the same from the Company Secretary of the Company or the Vigilance and Ethics Officer

- (h) Protected Disclosure against the Vigilance and Ethics Officer / Chairman or other member of the Audit Committee/ Managing Director(s) should be addressed by the Audit Committee of the Company. In such case or in case of conflict of interest in a given case, the respective member(s) should recuse themselves and the others on the committee would deal with the matter on hand.

- (i) On receipt of the Protected Disclosure the Vigilance and Ethics Officer / Managing Director(s) / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. An Initial investigation shall be carried out by Vigilance and Ethics Officer / Managing Director(s) / Chairman of the Audit Committee or by involving any other Officer

of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.

5. INVESTIGATION

All Protected Disclosures under this Policy will be recorded and thoroughly investigated by the Vigilance and Ethics Officer / Managing Director(s)/ Chairman of the Audit Committee who will investigate/oversee the investigations under the authorisation of the Audit Committee.

The Vigilance and Ethics Officer / Managing Director(s)/ Chairman of the Audit Committee may at their own discretion consider involving any other Officer(s) of the Company and/ or an outside agency for the purpose of investigation. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

The decision to investigate is by itself not an accusation and is to be treated as a neutral fact-finding process.

Subject (s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their input during the investigation.

Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).

Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrongdoing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

The investigation shall be completed normally within 90 days of the receipt of the Protected Disclosure and is extendable by such period as the Audit Committee deems fit. Subject(s) have a right to be informed of the outcome of the investigations.

6. DECISION AND REPORTING

If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee 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.

The Vigilance and Ethics Officer shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures, and policies of the Company. Upon receipt of complaint relating to such leakage/suspected leakage of Unpublished Price Sensitive Information, the same would be investigated in accordance with the procedure as detailed in the SEBI (Prohibition of Insider Trading) Regulations.

If the outcome of any investigation leads to the detection of financial irregularity or fraud it shall be dealt with as per the relevant policies for investigation, reporting and disposition, following relevant regulatory guidelines in force

7. SECRECY / CONFIDENTIALITY

Credila expects that the Complainant, Vigilance and Ethics Officer, Members of Audit Committee, 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.
- Keep the electronic mails / files under password.

8. PROTECTION FOR WHISTLE BLOWER

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 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.

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.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle

Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

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

Provided however that the complainant before making a complaint has a reasonable belief that an issue exists, and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

9. COMMUNICATION

A Whistle Blower Policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in noticeboard and the website of the Company.

10. 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 period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

11. ADMINISTRATION AND REVIEW OF THE POLICY

CCO shall be responsible for the administration, interpretation, application, and review of this Policy & also be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee. This Policy as approved shall be reviewed once in two years and any changes deemed necessary shall be made with the approval of the Board of Directors. In case of any inconsistency between the provisions of the law and this Policy, the provisions of the law shall prevail, and the Company shall abide by the applicable law. Further, in case there are any amendments in the applicable laws, guidelines, circulars ('Regulations') the Policy shall stand amended to align with the applicable amended Regulations.