



# Arman Financial Services Limited

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## WHISTLE BLOWER POLICY (“VIGIL MECHANISM”)

### OBJECTIVE

Arman Financial Services Limited and its subsidiary - Namra Finance Limited (**“the Company”**) believe in conduct of its affairs in fair, transparent and ethical manner by adopting and ensuring highest standard of Corporate Governance, integrity and ethical conduct. Towards this objective, the Company has put in place Code of Conduct for Directors and Senior Management (**“the Code”**) which sets forth legal and ethical standards of conduct of Directors and senior management of the Company. Any actual or potential deviation or violation of Code or any other malpractice, corruption, fraud or unethical conduct on the part of any of the employees of the Company would be a matter of serious concern for the Company. The employees of the Company play significant role in pointing out such deviation, violation or wrongful conduct.

Companies Act, 2013 and the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (**“Listing Regulations”**) as amended inter-alia provides for putting in place **“Whistle Blower Mechanism”** for encouraging and enabling the employees to report any instances or suspected instances of violation of the Code, malpractice, corruption, fraud or unethical conduct, leakage or suspected leakage of Unpublished Price Sensitive information of the Company.

Accordingly, the Company has formed this whistle Blower Policy or Vigil mechanism (**“the Policy”**) to encourage the Company’s employees who have knowledge of actual or suspected violations, malpractice, corruption, fraud or unethical conduct, leak of Unpublished Price Sensitive information to come forward and express their legitimate concerns about the same, without fear of reprisal, victimization or unfair treatment. This Policy should be read in conjunction with applicable regulations & existing policies & procedures of the Company.

### SPIRIT

The policy is intended to encourage and enable the employees to raise legitimate concerns within the Company keeping the organization’s interest in mind, rather than overlooking the issues. It is however not meant to question financial or business decisions taken by the Company or any decision taken by the Company with regard to the employee’s increment / promotion nor should it be used to reconsider any matters, which have already been addressed pursuant to disciplinary or other procedures of the Company. Policy should also be not used for raising malicious or unfounded allegations against colleagues.

### SCOPE

All the employees of the Company are eligible to raise concerns / make disclosures under the Policy, which the individual genuinely believes is violation of the Code or any malpractice, corruption, fraud or unethical conduct or misuse of position on the part of any employee that could have grave impact on the operations, business or image of the Company. This policy is intended to deal with concerns, which are at least initially to be investigated separately but might then lead to the invocation of other procedures and punitive actions.



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Violations, Malpractice, fraud, Corruption or unethical conduct (hereinafter referred to as “Concern”) can comprise of diverse issues, some of which are illustrated below:

- a) Breach of any Policy or Manual or Code adopted by the Company;
- b) Manipulation of Company records/data;
- c) Any unlawful act or breach of criminal or civil law;
- d) Fraud and corruption (e.g. to solicit or receive any gift/reward/concession as a bribe);
- e) Any deliberate instance of failure / violation to comply with legal / statutory obligation;
- f) Any instance of misappropriation of company funds / assets / property or any sort of financial malpractice;
- g) Any sexual discrimination;
- h) Negligence causing or likely to cause substantial danger to public health and safety;
- i) leak or suspected leak or misuse of Unpublished Price Sensitive information. Unpublished Price Sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:
  - 1) financial results;
  - 2) dividends;
  - 3) change in capital structure;
  - 4) mergers, de-mergers, acquisitions, disposals and expansion of business and such other transactions;
  - 5) changes in key managerial personnel;
  - 6) Any other event or information as considered appropriate by the management or as may be prescribed under applicable laws.

The above list is only illustrative and shall not be considered exhaustive. However, the following would not be construed as concern:

- 1) Grievances which are to be addressed through Company grievance procedure; and
- 2) Allegations of personal nature which are in no way connected to the organization.



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## ROLE OF WHISTLE BLOWER/COMPLAINANT

Whistle Blower's role is to raise the concern with reliable information to persons named herein and to extend the necessary co-operation which may be required during investigation. They are not required or expected to act as investigators or finders of facts, nor would they determine appropriate corrective or remedial action that may be warranted in a given case.

## PROTECTION TO WHISTLE BLOWER

If one raises a concern under this Policy, he / she will not be at risk of suffering any form of reprisal or retribution. Retribution includes removal, transfer and discrimination, demotion, depriving of promotion, harassment or victimization in any manner. This protection shall however be available only if, the communication / disclosure is made in good faith and not with malafide intentions or personal gains and he / she reasonably believes that information, and any allegations contained in it, are substantially true. However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by investigation.

Anyone who victimizes or harasses whistle blower for raising a concern through this Policy will face appropriate actions. Likewise, anyone who abuses procedure by maliciously raising a concern knowing it to be untrue or raising vague, bogus or trivial issues will be subject to disciplinary action.

## REPORTING PROCESS

- 1) All concerns should be addressed to the Chairman of the Audit Committee of the Company. The Audit Committee may after preliminary scrutiny take cognizance of the concern and take steps for investigation. If any of the members of the committee have a conflict of interest in a given case, they should excuse themselves and others on the committee would deal with the matter on hand.
- 2) The contact details of the Chairman of the Audit Committee are as under:  
  
Mr. Kaushikbhai D. Shah  
Chairman of Audit Committee of Arman Financial Services Limited  
401/408, Aditya Building,  
B/H Abhijeet 1, Nr. Mithakali Circle,  
Ellisbridge, Ahmedabad-380006.  
Ph- 079-26403326; Email: [kdshah10@gmail.com](mailto:kdshah10@gmail.com)
- 3) The Concern should be disclosed through E-mail, writing, telephone, or any other method to the persons mentioned above.
- 4) Whistle blower cannot make anonymously and will be required to disclose their identity. For affording protection to the Whistle Blower, such disclosures will be kept confidential to the extent possible and convenient with the need to investigate the matter.



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- 5) Concern has to 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.

## **INVESTIGATION**

- 1) Upon receipt of concern / disclosure or complaints reported under this Policy, Audit Committee of the Company, shall after scrutiny, investigate the matter and may at their discretion take assistance of Internal Audit or representative of the concerned Division where impropriety, malpractice or wrongdoing has occurred or some other person from within the organization or from outside, as they deem fit and proper. Based on the investigation outcome, Audit committee shall make suitable decision to address the same. The decision to conduct an investigation taken by the 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.
- 2) Person alleged to be committed concern (hereafter referred as "Subject") will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 3) Subjects shall have a duty to co-operate with the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 4) 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.
- 5) 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.
- 6) 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.
- 7) The investigation shall be completed normally within 45 days of the receipt of the concern. For genuine reasons, if it cannot be completed without 45 days, Audit Committee shall extend suitable time period to close the investigation.

## **DECISION ON THE INVESTIGATION**

After completion of the investigation, the Chairperson of the Audit Committee shall submit the report to the Managing Director, who will based on the finding in the written report and after conduct of such further examination as he may deem fit, come to a final decision in the matter.



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If the concern raised is found to be justified, then the Managing Director will invoke punitive or other appropriate action against the defaulting employee as per the Company procedures and as considered appropriate, taking into consideration the nature of offence, impact on the Company and other factors.

## **MAINTAINING CONFIDENTIALITY OF THE CONCERN**

The employee making the disclosure of concern as well as any of the persons to whom the Concern has been disclosed or any of the persons who will be investigating or deciding on the investigation shall not make public the concern disclosed except with the prior written permission of the Chairman of the Audit Committee. However, this restriction shall not be applicable if any employee is called upon to disclose this issue by any judicial process and in accordance with the laws of land.

## **RETENTION OF DOCUMENTS**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company in accordance with the applicable law.

## **IMPLEMENTATION**

Head of HR shall create awareness about the Policy amongst the employees and develop mechanism to facilitate implementation of this Policy.

## **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 unless the same is notified to the Employees.

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