



PRAYAS FINANCIAL एक बेहतर कल का **SERVICES PVT. LTD.**

WHISTLEBLOWER POLICY

Aug 05, 2025

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| Proposing Unit | HR Department |
| Policy Owner | HR Department |
| Approver | Board of Directors |
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The policy has been vetted by the following:

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Glossary of Terms

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|---------------------------------|---|
| Adverse Personnel Action | Appropriate action by managerial personnel. |
| Alleged Wrongful Conduct | Alleged Wrongful Conduct shall mean violation of law, infringement of Company's Code of Conduct or policies. |
| Customer | Customers are the end-users or beneficiaries of the products or services offered. |
| Good Faith | Good faith refers to the honest belief that the information reported is true and indicates misconduct or violations, without malicious intent or knowingly false claims. |
| Investigator(s) | Investigator(s) refers to a member of the Whistle Blower Committee or any individual(s) appointed by the Committee to conduct a fair, unbiased, and thorough investigation into the reported concern. To minimise the risk of bias, it is recommended to appoint two investigators from different departments. The investigation process must remain free from any influence of hierarchy or favouritism. |
| Investigation Subject | Investigation 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. It could be a group of individuals as well. |
| Senior Management | Members of the core management team (EVP and above) of the company, excluding the Board of Directors. Any other employee (AVP and above) that the NRC may include from time to time. |
| Vendor | Vendors can include suppliers, contractors, or service providers involved in the supply chain or business operations. |
| Vigilance Officer | Vigilance Officer is a person(s) nominated/ appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Whistle Blowing Committee for its disposal and informing the Whistle Blower the result thereof. |
| Whistle blower | Whistle Blower refers to any stakeholder such as an employee (including those working abroad), director, customer, vendor, consultant, business partner, intern, or trainee who, in good faith, makes a protected disclosure under this Policy. . |

List of Abbreviations

| Abbreviation | Meaning |
|--------------|-----------------------------------|
| PFSP | Prayas Financial Services Pvt Ltd |
| NBFC | Non-Banking Financial Company |
| WB | Whistle blower |

1. Introduction

Prayas Financial Services Private Limited (PFSPL), a registered Non-Banking Finance Company Microfinance Institution (NBFC-MFI) under the Reserve Bank of India, is dedicated to empowering financially underserved households and informal micro-enterprises by providing accessible financial products and services. As a subsidiary of Ananya Finance for Inclusive Growth Private Limited, PFSPL leverages its parent company's decade-long expertise in promoting financial inclusion to create a meaningful impact in low-income communities. PFSPL operates on the Joint Liability Group (JLG) model, specifically designed to empower women in rural and semi-urban areas. This model supports individual aspirations while driving the economic development of local communities.

Our vision is to foster a society where individuals, particularly women, have equitable economic opportunities to enhance their standard of living and contribute meaningfully to community development. With a fully digitized, paperless loan processing system and a strong branch network across India, PFSPL has established itself as a trusted partner in driving financial stability and inclusion.

We remain committed to responsible lending practices, ensuring funds are effectively utilized to promote long-term socio-economic progress in underserved communities.

2. Objective

The objective of this policy is to encourage stakeholders to raise genuine concerns related to unethical behaviour, suspected fraud, governance lapses, or financial reporting irregularities. It provides a secure and structured framework to facilitate responsible whistleblowing within the Company. Furthermore, the policy encourages proactive reporting of such concerns. It underlines the Company's zero-tolerance stance toward retaliation against whistle blowers, ensuring they are safeguarded throughout the process.

By promoting transparency and accountability, this policy not only protects the organization from risks associated with misconduct but also supports a positive and ethical work culture. It aligns with the Company's long-term goals of growth, sustainability, and maintaining stakeholder trust, ensuring that the organization operates with the highest ethical standards.

3. Scope of the Policy

This Policy applies to all employees, directors, contractors, consultants, and stakeholders of PFSPL and covers reporting of concerns related to:

- I. An act that deviates from accepted standards of social and professional conduct.
- II. An act which leads to unethical practices.
- III. Breach of business Integrity and Ethics.
- IV. Deliberate violation of laws/regulations.
- V. Financial fraud with customers like bank account forgery, transfer money in personal account by employee etc.
- VI. Using customers financial transactions for personal use.
- VII. Manipulation of company data/records.
- VIII. An act against the accepted business practices of the organisation, etc.

4. Applicability

This policy applies to all employees, vendors, customers, consultants, business partners, interns, and trainees.

5. Employee Protection

No Whistle Blower shall face unfair treatment, retaliation, or discrimination for reporting concerns under this Policy. Employees who, in good faith, disclose any misconduct, irregularities, governance lapses, or financial reporting issues within the Company are protected from any adverse action resulting from such disclosures. This Policy provides a structured framework to promote responsible and secure whistle blowing. Employees who report suspicious customer activities or any wrongful conduct within the organization, or by its employees, shall be safeguarded against punitive actions, including unfair termination and discriminatory employment practices.

However, this protection does not extend to actions unrelated to the disclosure of unethical or improper practices. Adverse actions arising from factors such as poor job performance or disciplinary issues unrelated to the whistle blower's report remain outside the scope of this policy.

6. Regulatory Aspects

As per Section 177(9) of the Companies Act, 2013, the following classes of companies are required to establish a Vigil Mechanism:

- I. All listed companies;
- II. Companies that accept public deposits;
- III. Companies that have borrowed more than ₹50 crore from banks and public financial institutions.

7. Guidelines

7.1: Whistle Blower

7.1.1 Internal Policy & Protection under WB Policy

- I. The Policy strictly prohibits any unfair treatment of whistle blowers for reporting concerns under its provisions.
- II. The Policy bars the Company from taking adverse personnel actions against employees who report unethical or improper practices or alleged wrongful conduct in good faith. Employees who face adverse personnel action due to their disclosure may escalate the matter to the whistle blower Committee.
- III. All employees are responsible for detecting potential fraud and must stay vigilant for irregularities in their areas of responsibility. Any suspected fraud or dishonest act must be immediately reported to the Reporting Manager and the relevant Committee.

7.1.2 False Allegation & Legitimate Employment Action

- I. Any stakeholder who knowingly makes false allegations of unethical or improper practices or alleged wrongful conduct to the Whistleblower Committee will be subject to disciplinary action, up to and including termination of employment, as per the Company's rules, policies, and procedures. Additionally, this Policy cannot be invoked as a defence by any employee

facing adverse personnel action that is unrelated to their disclosure and has been taken for legitimate reasons or cause in accordance with Company rules and policies.

- II. If the investigation concludes that the allegations against the Investigation Subject are unfounded, the Company shall reimburse all reasonable expenses incurred by the Investigation Subject in their defence during the investigation process. In such cases, the Investigation Subject shall also be consulted on whether a public disclosure of the investigation outcome would serve their best interest. The final recommendation regarding the necessity, scope, and mode of such disclosure shall rest with the Whistle Blowing Committee.

7.2 Investigation Subject

- 7.2.1 Right to Information:** The Investigation Subject shall be informed of the allegations at the commencement of the investigation and shall have the opportunity to respond to the charges during the process.
- 7.2.2 Obligation to Cooperate:** The Investigation Subject shall fully cooperate with the Vigilance Officer and Investigators. Non-cooperation, obstruction, or deliberate withholding of relevant information will be considered misconduct.
- 7.2.3 No Interference:** The Investigation Subject must not interfere with the investigation process, influence witnesses, or tamper with evidence.
- 7.2.4 Preservation of Evidence:** The Investigation Subject shall not destroy, conceal, or alter any documents or material evidence that may be relevant to the investigation.
- 7.2.5 Legal Representation:** The Investigation Subject has the right to consult a person of their choice (excluding investigators) and may engage legal counsel at their own expense.
- 7.2.6 Outcome and Representation:** Upon completion of the investigation, the Investigation Subject shall be informed of the findings in writing and shall be given a fair opportunity to present their views before any final decision is taken.
- 7.2.7 Exoneration and Reimbursement:** If the allegations are found to be false or unsubstantiated, and the Investigation Subject has incurred reasonable expenses in defending themselves, the Company may reimburse such expenses.
- 7.2.8 Public Disclosure (if applicable):** In cases where the Investigation Subject is exonerated, the Company may, after consulting the Subject, consider whether a public disclosure of the investigation's outcome is in their best interest. The final decision on such disclosure rests with the Audit Committee.

7.3 Vigilance Officer

- 7.3.1 Receiving Disclosures:** Receive all Protected Disclosures, whether submitted in writing, by email, or through other official reporting channels.
- 7.3.2 Preliminary Assessment:** Conduct an initial review to determine whether the disclosure falls within the scope of this policy and whether it merits formal investigation. In case of anonymous complaints, assess the credibility and intent before proceeding.
- 7.3.3 Confidentiality and Recordkeeping:** Maintain strict confidentiality of the identity of the Whistle Blower and Investigation Subject. All records related to disclosures and investigations must be securely maintained for a minimum of five years.
- 7.3.4 Engaging Investigators:** In consultation with the Chairperson of the Whistle Blowing Committee, appoint internal or external Investigators as required for conducting a fair and independent investigation.

- 7.3.5 Monitoring Investigations:** Oversee the investigation process to ensure timeliness, fairness, and objectivity. The Vigilance Officer must ensure that investigations are normally completed within 60 days of receipt of the disclosure.
- 7.3.6 Reporting to Whistle Blowing Committee:** Submit investigation findings along with recommendations to the Whistle Blowing Committee. Provide updates on ongoing investigations and status of whistle blower complaints at regular intervals.
- 7.3.7 Communication with Whistle Blower:** Where the identity of the Whistle Blower is known, update them (at appropriate stages) about the receipt of the complaint, initiation of the investigation, and outcome, without disclosing any confidential findings.
- 7.3.8 Ensuring Non-Retaliation:** Monitor and ensure that no retaliatory actions are taken against the Whistle Blower. Escalate any such concerns to the Audit Committee for immediate redressal.
- 7.3.9 Decision to Close:** In cases where the disclosure is found to be frivolous, malafide, or lacking evidence, the Vigilance Officer, in consultation with the Audit Committee, may close the case without further investigation.

7.4 Investigator(s)

- I. Conduct fair, impartial, and fact-based investigations.
- II. Maintain strict confidentiality of all information and identities involved.
- III. Complete the investigation within 60 days (extendable with valid justification).
- IV. Examine all relevant documents, evidence, and witnesses thoroughly.
- V. Document every step including findings, evidence, and interviews.
- VI. Submit a detailed investigation report with facts, impact, and recommendations.
- VII. Recommend corrective or disciplinary actions, if warranted.
- VIII. Avoid any external influence or interference; report if any occurs.
- IX. Assist in post-investigation clarifications or follow-up actions if required.

8. Confidentiality and Protection

PFSPL is committed to maintaining strict confidentiality regarding all protected disclosures. The identity of the Whistle Blower and the Investigation Subject shall be kept confidential to the extent possible and permitted under law, unless disclosure is required for a fair investigation.

The Company also ensures that no Whistle Blower who reports a concern in good faith shall face any form of retaliation, discrimination, harassment, or any adverse employment action. Any attempt to retaliate or victimize the Whistle Blower will be treated as a serious disciplinary offence and dealt with accordingly.

9. Procedure

9.1: What to Report

The Whistle Blower Policy is intended to address serious concerns that could have a significant impact on the Company, such as actions that:

- I. Violate the Company's Code of Conduct or internal policies
- II. Involve fraud, theft, embezzlement, or misappropriation of funds or assets
- III. Are related to accounting manipulations, auditing irregularities, or questionable financial practices

- IV. Involve bribery, corruption, kickbacks, or acceptance of gifts or favors for undue influence
- V. Constitute a violation of law or regulatory requirements
- VI. Reflect gross mismanagement, abuse of authority, or negligence causing substantial risk to health, safety, or the environment
- VII. Include falsification of contracts, records, or official documents
- VIII. Any other unethical, dishonest, or improper activity that may harm the financial interest or reputation of the Company

9.2 Complaint Submission and Channels for Reporting/How to report

- I. Concerns stated in this policy should be reported in writing to the Vigilance Officer, who is also a member of the Whistle Blower Committee, at: whistleblowing@prayasfinance.com and whistleblowing@gojo.co
- II. If any reporter wishes to escalate a case directly to the shareholder, they can contact at: whistleblowing@gojo.co
 - a. Address: 903 9th Floor Sakar - 9, Besides Old RBI Ashram Road, Ashram Rd, Ahmedabad, Gujarat, 380009
- III. In exceptional circumstances, the Whistle Blower Committee may be contacted directly as per the contact details provided in Annexure II.
 - a. Email: abhisek.khanna@prayasfinance.com
 - b. Address: Unit No.108A, 1st Floor, Orchid Business Park, Sector 48, Gurugram, Haryana, 122004
- IV. Whistle Blowers may choose to remain anonymous. The Company respects the right to anonymity and is committed to protecting the identity of the complainant at all stages, unless disclosure is required by law or for effective investigation.
- V. Where the Whistle Blower has disclosed their identity, the Company will protect it and ensure that access is strictly limited to personnel who need the information to investigate the concern.
- VI. It is important to note that while anonymous complaints are permitted, they may limit the depth and scope of investigation.

9.3 Investigation Process and Committee Protocol

- I. Upon receiving a disclosure, the Vigilance Officer shall first assess whether the complaint qualifies under the Whistle Blower Policy. If it does, the matter shall be forwarded to the Whistle Blower Committee for further investigation. If it does not qualify, the complaint shall be redirected to the relevant department or function for appropriate action.
- II. If the complaint is specifically against the Managing Director & CEO, the Vigilance Officer shall directly escalate the matter to the Audit Committee, bypassing the Whistle Blower Committee.
- III. The Vigilance Officer shall convene a meeting of the Whistle Blower Committee to initiate the investigation process.
- IV. The Whistle Blower Committee shall appoint one or more Investigators, either from internal teams or external professionals, based on the complexity, sensitivity, and nature of the concern.
- V. All meetings of the Whistle Blower Committee shall be held in person. However, virtual meetings may be conducted in case of logistical constraints.
- VI. The appointed Investigator(s) shall submit a comprehensive investigation report to the Whistle Blower Committee within the stipulated timeline.
- VII. Upon completion of the investigation, the Whistle Blower Committee shall forward its findings and recommendations to the Audit Committee for final review and action.

- VIII. If disciplinary or corrective measures are required against the MD & CEO, the Audit Committee shall determine the appropriate course of action in consultation with the Chairperson.
- IX. The Whistle Blower Committee shall conclude the investigation within 45 days from the date of receiving the complaint.

9.4 Reporting to the Board of Directors

- I. The Board of Directors shall be updated on a quarterly basis on the functioning of the whistle-blowing mechanism, including a summary of complaints received, investigations initiated, and actions taken.
- II. In cases where an investigation involves material risk or sensitive issues, the matter shall be reported to the Board outside the quarterly cycle.
- III. The Board may, at any time, seek information on anonymous complaints, status of investigations, or the overall health of the whistle-blower program.
- IV. Any Board member who is subject to an ongoing investigation will not have access to related information.
- V. The Whistle Blower Committee shall remain accountable for the implementation, monitoring, and effectiveness of this mechanism.

10. Decision

- I. Based on the findings of the investigation, the Whistle Blower Committee, in consultation with the Managing Director & CEO, shall submit the investigation report to Audit Committee. Audit committee needs to finalize further course of action.
- II. If the investigation establishes that a violation has occurred, the Audit Committee shall authorize suitable corrective or disciplinary actions, which may include but are not limited to:
 - a. Termination of employment or contract
 - b. Legal or regulatory escalation
 - c. Recovery of financial losses or damages, if applicable
- III. All disciplinary actions will be taken in accordance with the Company's applicable HR and disciplinary procedures.
- IV. In cases where no wrongdoing is established, the matter shall be formally closed, and appropriate communication shall be made to the Whistle Blower (if identity is known) and the Investigation Subject.
- V. If the allegations are proven to be false and made with malicious intent, the Whistle Blower may be subject to disciplinary action, as per Company policy.
- VI. The decision of the Audit Committee shall be considered final. However, the Whistle Blower retains the right to escalate unresolved concerns to external regulatory or legal authorities, as permissible under applicable laws.

11. Retention of Documents

All Disclosures in writing or documented along with the results of investigation relating thereto which have been proved shall be retained by the Company as per the law. Other Disclosures may be destroyed at the end of the financial year.

12. Policy Review

This document will be reviewed by the Board annually. HR Team shall periodically evaluate the level of adherent.

Annexure I

| Type of Committee | Contact Person Name | Email ID |
|---------------------------|--|--|
| Vigilance Officer | Ms. Divya Rathi Company Secretary | whistleblowing@prayasfinance.com |
| Whistle Blowing Committee | 1. Mr. Abhisek Khanna MD & CEO | abhisek.khanna@prayasfinance.com |
| | 2. Mr. Navneet Gupta Vice President Audit | navneet.gupta@ananyafinance.com |
| | 3. Ms. Shrabanti Patel Associate Vice President-HR | shrabanti.patel@ananyafinance.com |
| | 4. Ms. Divya Rathi Company Secretary | divya.rathi@ananyafinance.com |
| | 5. Mr. Amit Tikku Associate Vice President-Customer Connect | amit.tikku@prayasfinance.com |
| Audit Committee | 1. Ms. Bhavana Srivastava Independent Director | bhavana@finvalue.org |
| | 2. Mr. Guerol Michael Sari Non-Executive Director | guerol.sari@gojo.co |
| | 3. Mr. Surendra Srivastava Independent Director | Srivastava1205@gmail.com |