VIGIL MECHANISM / WHISTLEBLOWER POLICY

1. INTRODUCTION:

The Company believes in fair and transparent conduct of the affairs of its business by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. Section 177(9) of the Companies Act, 2013 (Act) and Regulation 22 read with Regulation 4(2)(d) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") provide for the establishment of the Vigil Mechanism/ Whistle Blower Policy for reporting to the Management instances of actual or suspected unethical behaviour, fraud or violation of the Company's Code of Conduct / ethics / principles, which are in turn to be monitored by the Audit Committee.

2. PURPOSE:

Dynamic Microsteppers Limited ("the Company") is committed to the highest standards of personal, ethical & legal conduct for achieving business. Ensuring ethical & legal standards are complied with are the responsibility of every employee and is reflected in our relationship with internal and external stakeholders. The Company through this policy encourages its employees to raise concerns and incidents, so that proper actions can be taken, and this can curb unethical instances to occur in future. The Company also wishes to inform that the employees do not need to fear of any unfair treatment.

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.

3. COVERAGE:

This Policy covers malpractices and events which have taken place / suspected to have taken place, 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 and formally reported by whistle blowers concerning its employees.

In accordance with the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015 the Audit Committee of the Company shall oversee the vigil mechanism through the Audit Committee.

Receipts and Disposal of Incidents Reported

The indents that needs to be reported under the Policy need to be in a secured envelope with the title "***Incident Reporting under the Vigil Mechanism / Whistle Blower policy***" or an email can be sent with the subject line "***Incident Reporting under the Vigil Mechanism / Whistle Blower policy***" to dynamicmicrostepperslimited@gmail.com **.**

The emails received on the aforementioned ID, will only be accessible by the Company Secretary, if any and by the authorised officials of the company to whom the powers are delegated by the board members. While sending through a secured envelope, the envelope should be addressed to either Chairman of the Audit Committee or the Company Secretary and should be sent to the following address: Dynamic Microsteppers Limited, Registered Office at 506, Matharu Arcade, Above Axis Bank, Near Garware, Subhash Road, Vile Parle (East), Mumbai – 400 057.

4. <u>INVESTIGATON ON THE REPORTING:</u>

On receipt of the incident, the Company Secretary or authorised official of the Company shall initiate the initial investigation either himself/herself 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.

The record will include:

a) Brief facts;
b) Whether the incident was raised previously;
c) Details of actions taken by for processing the complaint;
d) Findings of the Audit Committee
e) The recommendations of the Audit Committee/ other action(s).

In case the incident is reported against an employee, the Company strongly believes that the employee against whom the incident is reported (hereafter referred as "**Subject**") shall receive an opportunity to be heard and post his hearing, the incident should be reported to the Audit Committee.

- The Subject should co-operate with the Audit Committee or any of the Officers appointed by it in this regard and should not withheld, destroy or tamper with any witness.

- No incident of wrong doing against the subject shall be considered as maintainable unless there is good evidence in support of the incident.

- The identity of the Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

- Disclosure should be factual and not speculative as well as supported by documentary evidence, wherever possible. Further, it should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

5. REPORTING AND DISCIPLINARY ACTION:

If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed. The Audit Committee shall recommend to the management of the Company to take disciplinary or corrective action as they 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.

In case the Subject is the Company Secretary, Chairman of the Audit Committee, then the incident reported document shall be forwarded to other members of the Audit Committee / the Board if deemed fit, for investigation. The Audit Committee / the Board shall appropriately and expeditiously investigate the incident reported. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

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. However, a complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Company Secretary, Chairman of the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company

6. 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 eight years.

7. 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 and Directors unless the same is notified to them in writing.