

**PEERLESS SECURITIES LIMITED**

**WHISTLE BLOWER POLICY**

**1. Preface**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted a Code of Conduct (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined.

Every employee of Peerless Securities Limited shall promptly report any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company and or its affiliates and group companies.

Accordingly, the Whistle Blower Policy has been formulated with a view to provide a mechanism for employees of the Company to approach the Chairman of the Audit Committee.

**2. Definitions**

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

- a. **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.
- b. **“Employee”** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- c. **“Code”** means the PSL Code of Conduct.
- d. **“Investigators”** mean those persons authorised, appointed, consulted or approached by the Chairman, Audit Committee and other Board members and includes the appointed auditors of the Company.
- e. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

f. **“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.

g. **“Whistle Blower”** means an Employee making a Protected Disclosure under this Policy.

### 3. Scope

a. This Policy is a part of the Company’s initiative to strengthen Internal Financial Controls. The Whistle Blower’s role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

b. Whistle Blower should not act on their own, in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the Audit Committee.

c. Protected Disclosure will be appropriately dealt with by the Chairman, Audit Committee or any other authority as directed by the Chairman of the Audit Committee.

### 4. Eligibility

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or any of its group companies

### 5. Disqualifications

a. While it will be ensured that genuine Whistle Blower are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will also warrant disciplinary action.

b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Employee knowing it to be false or bogus or with a *mala fide* intention.

c. Employee, who make any Protected Disclosures, which have been subsequently found to be *mala fide* or malicious or Employee who make 3 or more Protected Disclosures, which have been subsequently found to be

frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.

d. Matters which are pending before a court of law, state, National Human Rights Commission, Tribunal, or any other judiciary or sub-judiciary body will not be considered.

## **6. Procedure**

a. All Protected Disclosures concerning financial/accounting matters should be addressed to The Chairman of the Audit Committee of the Company for investigation.

b. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Employee.

c. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower.

d. 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.

e. No cognizance will be taken in respect of disclosures given by anonymous individuals.

f. A suggested format for reporting is enclosed herewith.

## **7. Investigation**

a. All Protected Disclosures reported under this Policy will be thoroughly investigated by an identified authority of the Company who will investigate / oversee the investigations under the authorization of the Chairman, Audit Committee.

b. The Chairman, Audit Committee may at his discretion, consider involving any Investigator(s) for the purpose of investigation.

c. The decision to investigate by the Chairman, 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.

d. The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

f. Subjects shall have a duty to co-operate with any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

g. 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.

i. 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.

j. The investigation shall be completed normally within 60 days of the receipt of the Protected Disclosure.

## **8. Protection**

a. 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 Blower. Complete protection will, therefore, be given to Whistle Blower 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 Employee 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 Employee to receive advice about the procedure, etc.

- b. An Employee may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same.
- c. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent and in the same manner, as the Whistle Blower.

## **9. Investigators**

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Chairman, Audit Committee when acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review by the Chairman of the Audit Committee, which establishes that:
  - i. the alleged act constitutes an improper or unethical activity or conduct, and
  - ii. the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review.

## **10. Decision**

The investigators shall submit a written report to the Chairman of the Audit Committee within 60 days of commencement of the investigation expressing his concurrence or otherwise on the findings about all Protected Disclosures referred to him/her. The report should be placed in a meeting of the Audit Committee which will advise the executive management for future course of action.

If there is no such complaint or written report during a period, the Chairman of the Audit Committee will submit a NIL report to the Audit Committee once in a year.

## **11. 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 five (5) years or as required by the Law.

## **12. 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.

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## **Suggested Reporting Format**

To: Chairman of the Audit Committee of the Company:

1. Please select the applicable incident type(s) from the list below that best describes the issue(s) you are reporting. Please note that the multiple issues can be selected:

- a. Fraud or suspected fraud or corruption
- b. Wastage / misappropriation of the Company funds / assets
- c. Manipulation of Company data / records

2. Date / Period of occurrence of the incident / fraud / irregularity (Please provide tentative date if you do not know the exact date)

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3. Where did the above take place? (Area / Department)

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4. Nature of transactions / irregularities, names and designations of the persons involved

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5. To enable your Company to enact on your complaint, you are requested to provide specific information to facilitate investigation.

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6. Do you have any evidence in support of your allegation?

- Yes
- No

7. Is anyone else aware of this incident?

- Yes
- No

8. Have you reported this incident to anyone in this Company?

- Yes
- No

Name of Person reporting: \_\_\_\_\_

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Contact information: \_\_\_\_\_  
(including email ID optional)