

# ADVENTZ SECURITIES ENTERPRISES LIMITED (ASEL)

## WHISTLE BLOWER POLICY / VIGIL MECHANISM OF ASEL

### 1. Background

- 1.1 As per provisions of Section 177 of the Companies Act, 2013, every listed company or companies accepting deposit from the public or Companies which have borrowed money from banks and Public Financial Institutions in excess of fifty crore rupees, shall establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges has been recently amended which will be effective from 1.10.2014 which inter alia, provides mandatory requirement for all listed companies to establish a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company’s code of conduct or ethics policy.
- 1.3 Under these circumstances, ASEL, being a Listed Company, propose to establish a Whistle Blower (vigil) mechanism and to formulate a whistle blower policy.
- 1.4 This Vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

### 2. Definitions

“**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”.

“**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 read with Clause 49 of the Listing Agreement with the Stock Exchanges.

“**Board**” means the Board of Directors of the Company.

“**Employee**” means all the present employees, Key Managerial Personnels and Directors of the Company.

**“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or “Improper Activity”.

**“Whistle Blower”** is an employee or group of employees or stakeholders or directors who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

### **3. Eligibility:**

All employees, key managerial personneels, stakeholder or directors of the Company are eligible to make “Protected Disclosures”.

### **4. Procedures - Essentials and handling of Protected Disclosure:**

i. The Protected Disclosure / Complaint should be attached to a letter bearing the identity of the whistle blower / complainant i.e. his/her Name, Employee Number and Location, and should be in a **closed / secured / sealed envelope** addressed to the Chairman of the Audit Committee which should be **superscribed “Protected Disclosure”**. (If the envelope is not superscribed and closed / sealed / secured, it will not be possible to provide protection to the whistle blower as specified under this policy).

ii. Anonymous or pseudonymous protected disclosure shall not be entertained.

iii. Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the whistle blower and should provide a clear understanding of the Improper Activity involved or issue / concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible and should help in initial assessment and investigation.

iv. 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.

### **5. Investigation**

5.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee (AC) may investigate and may at its discretion consider involving any other Officer of the Company including Vigilance and Security Superintendent of the Company for the purpose of investigation.

5.2. The decision to conduct an investigation taken by AC is by itself not an accusation and is to be treated as a neutral fact finding process.

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

5.4. Person(s) Concerned shall have a duty to co-operate with the AC or any of the Officers appointed by it in this regard to the extent that such cooperation will not compromise self incrimination protections available under the applicable laws.

5.5. Person(s) Concerned 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 Person(s) Concerned.

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

5.7. Person(s) Concerned have a right to be informed of the outcome of the investigations.

5.8. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the AC deems fit and as applicable.

## **6. Decision and Reporting**

6.1. Audit Committee along with its recommendations will report its findings to the Management and Management will have the power to take the necessary actions.

6.2. If the report of investigation is not to the satisfaction of the complainant, the complainant has right to report the event to the appropriate legal or investigating agency.

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

## **7. Secrecy / Confidentiality**

7.1. The complainant, Nodal officer, Members of Audit committee, the Subject and everybody involved in the process shall:

7.1.1. Maintain confidentiality of all matters under this Policy

7.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.

7.1.3. Not to keep the papers unattended anywhere at any time

7.1.4. Keep the electronic mails / files under password.

## **8. Retention of Documents**

8.1. All Protected disclosures documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

## **9. Disclosures**

This vigil mechanism shall be disclosed by the Company on its website and the Board's Report as to be prepared and attached with the Annual Report of the Company in terms of the provisions of the Companies Act, 2013.

## **10. Amendments**

This policy can be modified or repealed at any time by the Board of Directors of the Company.