

# **ALKA SECURITIES LIMITED**

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## **VIGIL MECHANISM & WHISTLE BLOWER POLICY**

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## ❖ PREAMBLE

**ALKA SECURITIES LIMITED** (“Company”) believes in the conduct of the affairs of its business and operations in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

Section 177 of the Companies Act, 2013 read with rules made thereunder and SEBI Listing Regulations 2015 says that, every listed company and such other classes of companies to establish a vigil mechanism (“Whistle Blower Policy”) for directors and 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, without any fear of retaliation.

The vigil mechanism is required to provide adequate safeguards against victimization of persons who use such mechanisms and also to ensure direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

The vigil mechanism not only helps to detect fraud in organizations, but is also used as a corporate governance tool, which prevents and deters fraudulent activity.

The policy neither releases directors and employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

## ❖ POLICY

This Policy is for the Directors and the Employees (as defined hereinafter).

The Policy has been drawn up so that the Directors and Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph V below.

## ❖ DEFINITIONS

The definitions of some of the key terms used in this Policy are given below:

“**Director**” means any person who has been appointed as a director on the board of the Company, whether whole-time, additional or otherwise.

“**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 and rules made thereunder read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

“**Code of Conduct**” means the Code of Conduct & Ethics for Directors & Senior Management Personnel.

“**Disciplinary Action**” means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

“**Employee**” means every employee of the Company (including full-time, part time, outsourced, temporary, permanent, probationary, trainee, retainer and on contract personnel, whether working in India or abroad) including the Directors in the employment of the Company.

“**Investigators**” or “**Whistle Officer**” mean those persons authorized, appointed/ consulted or approached by the Audit Committee and includes the Auditors of the Company and the Police.

“**Ombudsperson**” will be an authorized person for the purpose of receiving all complaints under this Policy and ensuring appropriate action. In the first instance, the Board recognize the Chairman of Audit Committee as Ombudsperson.

**“Protected Disclosure”** means any communication made in good faith by the whistle blower that discloses or demonstrates information that may evidence unethical or improper activity.

**“Reportable Matter” or “Alleged Misconduct”** means unethical behavior, actual or suspected fraud, violation of law, breach of Company’s Code of Conduct, Company Policies and Guidelines

**“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.

**“Whistle Blower”** means an employee or director making a Protected Disclosure under this Policy.

Any other term not defined herein shall have the same meaning as ascribed to it under the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“Listing Regulations”) or any other relevant regulation / legislation applicable to the Company.

**“Vigilance Officer” / “Vigilance Committee”** means an officer or Committee of persons who is nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

## ❖ THE GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- (a) Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- (b) Treat victimization as a serious matter including initiating disciplinary action on such person/(s), if any;
- (c) Ensure complete confidentiality of all Employees/person(s) involved in the processes provided in this Policy;
- (d) Not / not attempt to conceal evidence of the Protected Disclosure;
- (e) Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made; and
- (f) Provide an opportunity of being heard to the persons involved especially to the Subject.

## ❖ COVERAGE OF POLICY

A Whistleblower can complain about the following issues under this Policy. The list of issues classified under “Reportable Matter” or “Alleged Misconduct” is indicative and is not all inclusive.

Alleged misconduct may include, but is not limited to the following:

- Forgery, falsification or alteration of documents;
- Abuse of Authority or fraud, an act of discrimination or sexual harassment;
- Negligence causing substantial and specific danger to public health and safety;
- Unauthorized alteration or manipulation of computer files /data;
- Fraudulent reporting, willful material misrepresentation;
- Misappropriation/misuse of company's resources;

- Improper use of authority for personal gains;
- Unauthorized release of proprietary / confidential information;
- Financial irregularities, including fraud, or suspected fraud;
- Breach of contract;
- Theft of cash;
- Breach of Company's Code of Conduct;
- Possible accounting or financial reporting violations, insider trading, bribery.
- Unofficial use of Company's property/human assets
- Criminal offence
- Giving and / or accepting, bribes, expensive gifts, directly or indirectly from business connections including clients, patients, vendors / suppliers and contractors in contravention of Code of Conduct policy;
- Deliberate violation of law/regulation;
- Any other unethical, biased, favored, imprudent action

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

The above list is illustrative and should not be considered as exhaustive.

#### ❖ **APPLICABILITY**

All employees / directors of the company are eligible to make Protected Disclosures under the policy in relation to matters concerning the Company.

#### ❖ **PROTECTION FOR WHISTLEBLOWERS**

1. If a Whistle-blower raises concern under this policy, he / she will not be under any risk of suffering any form of retaliation. The Company is committed to protecting the Whistleblower from any form of retaliation or adverse action due to disclosure by them. Whistleblower will not be under risk of losing his / her job or suffer loss in manner like transfer, demotion, refusal of promotion.
2. The identity of the Whistleblower shall be kept confidential.
3. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower
4. The protection is given, provided that:
  - 4.1. The disclosure is made in the good faith;
  - 4.2. Whistleblower believes that information and allegations contained in it are substantially true; and
  - 4.3. Whistleblower is not acting for personal gain.

## ❖ DISQUALIFICATION

1. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
2. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
3. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers 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.

## ❖ REPORTING MECHANISM

1. Employees may raise “Reportable Matter” or “Alleged Misconduct” within 30 (thirty) days after becoming aware of the same to the Audit Committee.
2. The “Reportable Matter” or Alleged Misconduct” is reported in detail to Audit Committee
3. Employees have a right to make a Protected Disclosure directly to the Chairman of the Audit Committee by writing a letter / email marked as “*Private and Confidential*” and addressed to the Chairman of the Audit committee. Email Id: [compliance.alka@gmail.com](mailto:compliance.alka@gmail.com)

## ❖ PROCESS OF INQUIRY / INVESTIGATION

1. Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than thirty (30) consecutive days after becoming aware of the same.
2. The Contact details of the Ombudsperson are as under:
  - 2.1. The Chairman of Audit Committee, Geetika Garg and Non-Executive Independent Director, Sagar Ashok Rane.
4. Email id: [compliance.alka@gmail.com](mailto:compliance.alka@gmail.com)
3. Whistle Blower must put his/her name to allegations. Concerns expressed anonymously **WILL NOT BE** investigated.
4. If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision will be documented.
5. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose.
6. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.

7. Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.
8. The Ombudsperson/Whistle Officer/Committee shall:
  - 8.1. Make a detailed written record of the Protected Disclosure. The record will include:
    - 8.1.1. Facts of the matter
    - 8.1.2. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
    - 8.1.3. Whether any Protected Disclosure was raised previously against the same subject;
    - 8.1.4. The financial / otherwise loss which has been incurred / would have been incurred by the Company.
    - 8.1.5. Findings of Ombudsperson / Whistle Officer / Committee;
    - 8.1.6. The recommendations of the Ombudsperson / Whistle Officer / Committee on disciplinary / other action/(s).
  - 8.2. The Whistle Officer/Committee shall finalize and submit the report to the Ombudsperson within forty-five (45) days of being nominated /appointed.
9. On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:
  - 9.1. In case the Protected Disclosure is proved, accept the findings of the Whistle Officer / Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;
  - 9.2. In case the Protected Disclosure is not proved, extinguish the matter;

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.

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

Everyone working for or with the Company including the Subject shall have a duty to co-operate in the investigation of reports of violations. Failure to co-operate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment.

The Whistle Blower and Subject have a right to be informed of the outcome of the investigation. If, at the conclusion of its investigation, the Company determines that a violation has occurred, it will recommend the effective remedial action commensurate with the nature of the offence to the Board. These actions may include disciplinary action against the Subject, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

#### ❖ PROTECTION AGAINST VICTIMIZATION

No unfair treatment will be meted out to a Whistle Blower by virtue of his / her having reported a Protected Disclosure under this Policy in Good Faith. The Company will take reports of such retaliation / victimization seriously. Incidents of retaliation / victimization against any Whistle Blower reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those

working for or with the Company who engage in retaliation against reporting Whistle Blower may also be subject to civil, criminal and administrative penalties.

A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

#### ❖ **SECRECY/CONFIDENTIALITY**

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

1. Maintain Complete Confidentiality/ Secrecy of the matter.
2. Not discuss the matter in any informal/social gatherings/ meetings
3. Discuss only to the extent or with the persons required for the purpose of completing the process and investigations
4. Not keep the papers unattended anywhere at any time
5. Keep the electronic mails/files under password
6. If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

#### ❖ **AMENDMENT**

The Company has the 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 modifications will be binding on the employees unless the same is notified to the employees in writing.

#### ❖ **REPORTING & DISCLOSURE**

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

Corporate Governance Report of the company shall disclose about such Policy & affirm that no personnel have been denied access to the Audit committee.

Further, suitable disclosure of the policy shall be made in the Board Report and the policy will be uploaded on the Web site of the Company.

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## TEMPLATE FOR REPORTING VIOLATION

To  
Chairman of the Audit Committee  
[Name of the Company]

Violation details:

1. What is the act of violation?
  
2. Who is /are the individual/ people/ functions involved?

List supporting information/ data that you would have, that the Committee can seek from you while investigating.

**Date:**

**Location:**

**Name of the Person reporting:**

**Contact Information (including email):**