



WHISTLE BLOWER POLICY

(Meant only for use of Directors/Employees of Alacrity Securities Limited)

Preface

Section 177 of the Companies Act, 2013, and the Rules made thereunder ('Act') and Regulation 4(2)(d)(iv), 22 and 46(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) ("Listing Regulations") contain detailed provisions on Vigil Mechanism or Whistle Blower Mechanism which needs to be implemented in all Companies governed under the Statutes. Moreover, Alacrity Securities Limited ('Company') believes in the conduct of its affairs in a fair and transparent manner by adopting and upholding highest standards of ethics, professionalism, honesty and integrity. Through this policy, the Company shall enable all employee and / or associate to raise their complaints / concerns / grievances related to any form of misconduct, mismanagement or any kind of violation of laws, rules or regulations in the Company, in a prescribed method, without any fear of victimization and persecution. This Policy shall also ensure the confidentiality of the complainant's identity, complaints and disclosures as well as the identity of the person against whom the complaint has been raised and investigation is being carried out by the competent authority, following the basic principles of natural justice.

Short Title, Applicability and Commencement

1. This Policy shall be called as "Alacrity Securities Limited- Vigil Mechanism / Whistle Blower Policy" ('Policy').
2. This Policy shall apply to all the employees (including temporary, outsourced and contractual), stakeholders and associates of the Company.
3. This Policy shall come into force with effect from April 30, 2019.

Definitions

1. "**Associate**" shall mean business associates of the Company including existing or proposed consultants, service providers, Lessors / Owners of Properties etc.
2. "**Audit Committee**" shall mean the Audit Committee of the Board of Directors of the Company constituted / re-constituted in accordance with Section 177 of the Companies Act, 2013.
3. "**Board**" shall mean the Board of Directors of the Company.
4. "**Competent Authority**" shall mean the following office bearers of Alacrity Securities Limited:
 - o Chief Financial Officer and, or
 - o VP - HR or Head - HR and, or
 - o Company Secretary & Head - Legal and, or
 - o Head - Internal Audit and, or who shall act jointly and severally as the Competent Authority under this Policy.
5. "**Disciplinary Action**" shall mean any punitive action (more fully and particularly described in clause 10 of this Policy) that can be taken against the accused, where the Committee finds him / her guilty on completion of / during the investigation proceedings.

6. **“Employee”** shall mean every employee including permanent employee, temporary employee, outsourced employee and contractual employee of the Company including Whole-time Directors.
7. **“Whistle Blower”** means an Employee or Director who makes a Protected Disclosure / Complaint under this Policy.
8. **Un-published Price Sensitive Information (“UPSI”)** shall mean any information, relating to a Company or its securities, directly or indirectly, that is not generally available and which, upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following:
 - i. Periodical financial results of the Company;
 - ii. Intended declaration of dividends (Interim and Final);
 - iii. Change in capital structure i.e. Issue of securities, buy - back of securities or any forfeiture of shares or change in market lot of the Company’s shares;
 - iv. Mergers, De-mergers, Amalgamation, Acquisitions, De-listing of Securities, Scheme of Arrangement or Takeover, disposals, spin off or selling division of whole or substantially whole of the undertaking and expansion of business and such other transactions;
 - v. Any major expansion plans or execution of new projects or any significant changes in policies, plans or operations of the Company;
 - vi. Changes in Key Managerial Personnel; Words and expressions used and not defined herein but defined in Companies Act 2013, Securities Contracts (Regulation) Act 1956, SEBI Act, 1992, and Rules / Regulations framed therein, and the Listing Regulations shall have the meaning respectively assigned to them in those provisions.

Scope of the Policy

In line with the provisions under Regulation 22 of the Listing Regulations, this policy has been designed for directors and employees to report genuine concerns. The policy shall also provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

This Policy encourages all the Whistle Blowers to report any kind of misuse of Company’s properties, mismanagement or misconduct prevailing / executed in the Company or any kind of violation of laws, rules and regulations, which the Whistle Blower in good faith, believes, evidences any of the following:

- i. Breach of Company’s Code of Conduct.
- ii. Commission of gross misconduct and Business Ethics.
- iii. Violation of any law or regulations, policies including but not limited to corruption, bribery, theft, fraud, coercion and wilful omission and negligence.
- iv. Criminal Offence having ramifications on the Company or its repute.
- v. Rebating of Commission / benefit or conflict of interest.
- vi. Procurement frauds.
- vii. Mismanagement, gross wastage or misappropriation of Company’s funds / assets. Manipulation and / or unethical sharing of Company’s data / records.
- viii. Misappropriating cash / Company’s assets, leaking confidential or proprietary information.
- ix. Unofficial use of Company’s property (tangible and intellectual) / human assets.
- x. Activities violating Company’s policies.

- xi. A substantial and specific danger to public health and safety.
- xii. An abuse of authority or fraud.
- xiii. Leak of UPSI
- xiv. Any other activity (ies) or behaviour or events, whether unethical or improper in nature, which are against the interests of the Company.

Competent Authority under the Policy

1. The Board shall constitute a Competent Authority under this Policy, comprising of office bearers of the Company to act, jointly and severally to receive Complaint from the Whistle Blower and conduct investigation of the disclosure made by the Whistle Blower.
2. The office bearers of the Company who shall act as Competent Authority under this Policy are
 - o Chief Financial Officer, and / or
 - o VP - HR or Head - HR, and / or Company Secretary & Head – Legal, and / or
 - o Head – Internal Audit and / or
3. It shall not be mandatory to have all the five office bearers who are empowered to act as the Competent Authority under this Policy, to conduct particular proceedings on consultation among each other. Any one or more office bearers can act as Competent Authority to conduct particular proceedings, depending on the seriousness of the Complaint.
4. The powers and functions of the Competent Authority shall be:
 - i. To conduct the enquiry / investigation in a fair and unbiased manner;
 - ii. To maintain confidentiality of the investigation / enquiry and the parties involved therein;
 - iii. To ensure that complete fact finding has taken place with regard to a particular investigation;
 - iv. To decide on the outcome of the investigation;
 - v. To recommend penal provisions / disciplinary actions to the Audit Committee of the Company against the accused, if found guilty (subject to final approval by the Chairman & Managing Director);
 - vi. To recommend an appropriate course of action and / or disciplinary action against the complainant including his / her accomplices, for false or malicious Complaints / claims under this Policy;
 - vii. To receive a Complaint raised by the Whistle Blower, by accessing the email id specifically created for receiving Complaints under this Policy and no other person apart from the Competent Authority shall get access the email id, without express written consent of the Competent Authority; Competent Authority may receive the Complaint in a hand written / typed letter form or in exceptional circumstances in verbal or telephonic form.
 - viii. To appoint investigating officer(s) / agencies (internal or external), if required.

Role and Responsibility of Whistle Blower

The Whistle Blower shall report his / her Complaint / Disclosure with reliable information. The Whistle Blower shall co-operate with the Competent Authority under this Policy and extend all necessary support including production of documentary evidences to investigate the Complaints. He / she is neither required to act as investigator nor permitted to determine the appropriate or remedial action on behalf of the Company.

Malicious Whistle Blowing

- i. Whistle Blowers who shall report Complaints which are found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, the Competent Authority would reserve its right to recommend / pronounce appropriate disciplinary action.
- ii. If any Whistle Blower lodge Complaint, which is of malicious in nature, in that case the Competent Authority may bar that Whistle Blower from making Complaint under this Policy for a period the Competent Authority deems fit; Competent Authority may take / recommend appropriate disciplinary action as well.

Disclosure / Complaint

- i. The Whistle Blower may lodge his / her Disclosure / Complaint to the Competent Authority by sending an e-mail with proper information and details to Ms. Kruppa Gandhi or by sending a hand written / typed letter addressed to any of the office bearers who are ex-officio Competent Authority under this Policy or in exceptional circumstances by verbal or telephonic communication.
- ii. In case the Disclosure / Complaint made by a verbal or telephonic conversation, the Competent Authority may record the communication in a written or electronic / audio recording form at the earliest, to initiate next course of action.
- iii. The Whistle Blower must indicate his / her name, contact details and relationship with the Company in the Complaint. Relevant supporting documents / evidences and a brief background must form an integral part of the written Complaint.
- iv. The name and contact details of the Whistle Blower shall not be disclosed by the Competent Authority to anyone except the Chairman of the Audit Committee and / or the Chairman & Managing Director of the Company and / or to the concerned office bearers of the Company who are required to be informed in case of such incident. No unnamed Complaint shall be entertained. If the Complaint relates to a fact / incident, the Whistle Blower must lodge the Complaint within 30 days from the date he / she became aware of such fact / incident.
- v. The Whistle Blower shall exercise caution before lodging a Complaint to ensure that he / she is not doing so under influence of any person and / or any past incidence.

Investigation

- i. All relevant Disclosures / Complaint reported under this Policy will be recorded and duly investigated. The Competent Authority may at its sole discretion consider the involvement of any other investigator.
- ii. If Disclosures / Complaint is made against any of the office bearer who is an ex - officio Competent Authority, such office bearer will be barred to act as Competent Authority in the said proceedings / investigation and shall extend co-operation to the Competent Authority if sought for in such proceedings.
- iii. After completion of investigation process, if it is found that an improper / unethical act has been committed, the Competent Authority shall place their findings / recommendations to the Audit Committee of the Company to take such disciplinary / corrective actions as it may deems fit in consultations with the Chairman & Managing Director of the Company.

Disciplinary Actions

The Company may take the following punitive actions against the accused, where the Committee finds him / her guilty:

- i. Issue of an official reprimand cum warning letter;
- ii. Counselling;
- iii. Bar from participating in performance bonus review;
- iv. Cessation in increment of remuneration for a particular period as the Competent Authority deems fit;
- v. Termination from employment;
- vi. Cancellation of Orders placed as per Purchase / Work Order;
- vii. Recovery of monetary loss suffered by the Company;
- viii. Legal Suit or / and appropriate legal recourse under civil and criminal laws of the land;
- ix. Any other punitive action which the Competent Authority shall deem fit, provided it shall be proportionate to the offence committed by the accused;

Confidentiality

During the period of investigation or even after completion of the investigation, the identity of the Whistle Blower and the accused should be confidential. Any disclosure of identity of the accused shall be only to the extent it is necessary considering the progress of investigation process and the legitimate needs of law.

Protection

There will not be any retaliation or victimization against the Whistle Blower for disclosing in good faith any genuine concerns or grievances concerning unethical and improper practice or wrongful conduct prevailing in the Company, provided there is no Malice reporting

Reporting

1. The Chief Financial Officer shall submit a yearly report to the Audit Committee informing the status of all Complaints received from the Whistle Blowers, Complaints resolved and action taken, Complaints under investigation and number of false Complaints lodged by Whistle Blowers.

Amendment Any subsequent modification/amendment to the provisions of the Act / Regulations shall automatically apply to this Policy.

FORMAT FOR WHISTLE BLOWING

Date:

Name of the Whistle Blower:

Employee ID No of Whistle Blower: (where applicable)

Email id of the Whistle Blower:

Communication address:

Contact No.

Name and Particulars of the Subject:

Brief about the concern: Attached Separately

Signature of the Whistle Blower:

For Office Use: Registered Number of Protected Disclosure:
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ANNEXURE

1. Illustrative List of Concerns that can be raised under the Whistle Blower Policy:

- Misappropriation / stealing of Company's monies and assets.
- Deliberate / Intentional excess payments to creditors
- Collusion with dealers resulting in bad debts/excess unauthorized credit notes
- Collusion with vendors resulting in acceptance of sub-standard materials or goods or services or passing of bills without receipt of materials / goods / services
- Passing on or leaking classified / confidential information, intellectual property data to competitors or third parties not authorised by the Company
- Undue inducements / favours (other than customary festival gifts, lunch / dinner / refreshments) taken from vendors / dealers / service providers / consultants / business associates
- Internal Control System gaps which may lead to serious misappropriation
- Compromising safety systems established in place of work
- Falsification of records especially financial statements / books of accounts

2. Illustrative List of Concerns that cannot be raised under the Whistle Blower Policy:

- Personal grievances like non-grant of leave, working conditions, remuneration issues or a tough superior.
- Inter personnel issues or personal disputes with co-employees
- Favoritism
- Work place discipline
- Issues that are dealt by other specific policies / rules e.g. harassment, insider trading, work-place grievance etc.
- Concerns merely based on gossip / rumours.