



WHISTLE BLOWER POLICY

(Vigil Mechanism)

Whistle Blower Policy / Vigil Mechanism

1. Preface

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has adopted the Code of Conduct for the Board members and employees at senior level, laying down the principles and standards that should govern the actions of the Company and its employees.

The Company, in compliance with the requirements of Clause 49 of the Listing Agreement and the Companies Act, 2013 read with the rules framed thereunder (including any modifications or re-enactment thereof for the time being in force), has adopted a Whistle Blower Policy, which is an extension of the existing Code of Conduct of the Company. This whistle blower policy aims to provide a method of properly addressing genuine concerns that the employees or directors with the Company might have and also offers appropriate protection to the whistle blowers from victimization, harassment or disciplinary proceedings.

2. Short Title & Applicability

1. This policy will be called as “Aravali Securities & Finance Limited Whistle Blower Policy”.
2. This policy has been adopted by the Board of Directors of the Company in its meeting held on May 28, 2014 and came into force with immediate effect.
3. This policy is applicable to all the Employees of the Company, wherever located, whether permanent or on probation and the Directors of the Company.

3. Policy

This Whistleblower Policy is formulated to encourage all employees and directors of the Company to report any unethical behaviour, actual or suspected fraud or violation of the Code of the Company and to provide a secure environment to such employees acting in good faith and safeguarding them from any adverse action by the management.

This policy is in line with the requirements of the revised Clause-49 of the Listing Agreement with the Stock Exchanges and the provisions of the Companies Act, 2013 (Sub-section 9 of Section 177) read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, which stipulated that every Listed Company shall establish a “Vigil mechanism” for directors and employees to report genuine concerns, in the manner provided.

4. Eligibility

All Employees and Directors of the Company are eligible to make Protected Disclosures under this Policy in relation to matters concerning the Company only.

5. Scope

- (a) This policy is an extension of the Company's Code of Conduct. The Whistle Blower's role is that of a reporting party with reliable information. They are not expected or required to act as investigators or to find facts on their own, nor determine the action that may be required.
- (b) Whistle Blowers have no right to participate in any investigative activities unless required by the Committee or the Investigators so appointed. They should not act on their own in conducting any investigative activities.
- (c) The Protected Disclosures should be in relation to matters concerning the Company only.

6. Definitions

- a) *"Audit Committee"* – means the Committee constituted in accordance with Section 177 of the Companies Act, 2013.
- b) *"Disclosure"* – means any information provided by an employee / director under this policy upon observance of unethical behavior, actual or suspected violation of the "Code of Conduct and Ethics Policy" of the Company or violation of any other law.
- c) *"Employee"* – means every employee of the Company wherever located whether permanent or on probation.
- d) *"Director"* – means a director appointed to the Board of the Company.
- e) *"Whistle Blower Policy"* means the policy adopted by the Board to provide a mechanism for employees and Directors of the Company to report genuine concerns in the manner prescribed in this Policy.
- f) *"Vigil Mechanism"* – means the mechanism provided for directors and employees to report genuine concerns in the manner prescribed in this Policy.
- g) *"Whistle Blower"* – means an employee or director who makes a disclosure of any unethical behavior, actual or suspected fraud or violation of the "Whistle Blower Policy" and/or the "Code of Conduct" (applicable to directors and senior management personnel) of the Company or violation of any other law.
- h) *"Designated Person"* – means the Person (s) designated by the Board / Audit Committee for discharging the functions set forth in the Policy.

7. False Disclosures

- a) While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as provided in this Policy, any abuse of this protection or repeated frivolous complaints will be viewed seriously and will warrant disciplinary action including reprimand.
- b) Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be malafide or makes repeated frivolous Protected Disclosures will be disqualified from reporting further Protected Disclosures under this Policy.

- c) Protection under this Policy would not mean protection from disciplinary action arising out of false allegations made by a Whistle Blower knowing it to be false with a malafide intention.

8. Procedure

1. Any employee or director who observes or has knowledge of an alleged wrongful conduct shall, as soon as possible make disclosure giving available details to the Committee constituted by the Board to receive such disclosures and to investigate the matter and report back. The disclosure may be made in writing (or by e-mail to “companysecretary@aravalisecurities.com” or on paper addressed and sent to the designated Person). While such disclosure can also be made anonymously, but it is advisable to report the matter in confidence with the details which would help in investigation and seeking further inputs and also in providing feedback.
2. As far as possible, the disclosure shall comprise of details relating to as much information about the suspected violation as possible and should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred.
3. Disclosures as may be received by Designated Person shall be dealt with in the following manner:
 - a) Complaints involving serious matters should be reported to the Audit Committee and
 - b) other routine or ordinary complaints not involving fraud or corruption etc., which are routine in nature may be dealt with by the designated person, and submit to the Audit Committee in the form of report, periodically as provided in Sub-clause 4 herein and act accordingly.

The complaints shall be appropriately and expeditiously investigated by the Designated person. If the disclosure is received directly by the Audit Committee, it may pass on the same to the designated person for appropriate action. In case there is a disclosure against a member of the Audit Committee or the designated Person, the concerned member or the designated Person shall reclude himself and others on the Audit Committee would deal with such matter. Upon receipt of disclosure, respective functional head (unless the disclosure is against the functional head himself) may be consulted before taking further action.

4. After investigation, the designated Person shall report the matter to the Audit Committee, before taking any corrective action.
5. Necessary corrective action, (based on the report of investigating officer / designated Person or otherwise) after intimating the Audit Committee, shall be taken within 30 days of receipt of the report. A report giving details of number & type of disclosures received, investigation, findings, action taken etc., shall be placed in the immediate next Audit Committee meeting.

6. In case of disclosure against any director or in case of no corrective action or non receipt of response on the disclosure within 30 days, the whistle blower shall have the right to directly approach the Chairman of the Audit Committee.

9. Protection

1. The Whistle Blower shall be protected against unfair treatment or any kind of discrimination, harassment, victimization or any other unfair employment practice such as threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including the right to make further Disclosure.

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

2. The identity of Whistle Blower shall be kept confidential and shall not be disclosed unless required under any law. However, during the course of investigation, the Whistle Blower may be asked to substantiate his claim and provide such other information as may be required.

Any employee / director making three or more disclosures which are found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from further reporting under this policy and in addition, the Audit Committee shall have the right to recommend disciplinary action including termination from service.

10. Right of Refusal

Upon receipt of disclosure, the designated Person shall have the right to refuse investigation or may not pursue the matter if they are not supported by proper evidence and are mere allegations. Reasons for non perusal of matters shall however, be communicated to the Whistle Blower, recorded and mentioned in the report to be placed before the Audit Committee.

11. Records

All disclosures in writing, the investigation reports, details of corrective action taken, reasons for not pursuing any matter and related documents shall be preserved by the Committee and produced to Audit Committee as and when called for by it.

The Contact details of Designated Person is as follows:

Ms. Ruchi Shrivastava, Company Secretary

Aravali Securities & Finance Limited

4th Floor, Plot no. 136,

Sector-44, Gurgaon-122003,

HARYANA

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