

ANANDRATHI

**ANAND RATHI SHARE AND STOCK
BROKERS LIMITED**

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

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PREAMBLE

As a conscious and vigilant organization, Anand Rathi Share and Stock Brokers Limited (“**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 behavior.

In its endeavor to provide its employee a secure and a fearless working environment, the Company has established the “Vigil Mechanism and Whistle Blower Policy”.

The purpose of the policy is to create a fearless environment for the employees to report any instance of unethical behavior, actual or suspected fraud or violation of ARFSL’s code of conduct or ethics policy to the Company Secretary & the Compliance Officer.

The framework of the policy strives to foster responsible and secure whistle blowing. This policy should be read in conjunction with applicable regulations & existing policies and procedures of the Company. You can also contact the Secretarial & Legal Department if you have any questions or need any clarifications.

Regulations 22, 4(2)(d)(iv) and 46(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) and Section 177(9) of the Companies Act, 2013, mandates all listed entities to formulate the vigil mechanism/whistle blower policy and to disclose the same on website of the Company.

The Board of Directors (“**the Board**”) of the Company has adopted the following policy and the Board may amend this policy from time to time. In the event of any conflict between the terms of this Policy and any provision in an applicable law including the Act or SEBI Listing Regulations, the provisions in such applicable law shall prevail.

1. Preface:

- 1.1 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.
- 1.2 The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 1.3 The Companies Act 2013, provides, a mandatory requirement, for all listed companies and a company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crore to establish a mechanism called “Vigil Mechanism and 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.
- 1.4 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company including in relation to the following but not limited to:

- a) Breach of any code of conduct issued by the Company;
- b) Breach of business integrity and ethics;
- c) Financial irregularities including fraud or suspected fraud;
- d) Forgery, falsification or alteration of documents for any unlawful gain/ advantage;
- e) Manipulation of Company's data and records including computer files /data, for any unlawful gain/ advantage;
- f) Misappropriation of Company's funds and/or assets and/or resources.
- g) Misuse or abuse of authority
- h) Kickbacks or unauthorized commissions
- i) Giving and taking bribes
- j) Insider trading including front running and self-dealing

1.5 The policy neither releases 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.

2. Policy:

2.1 This Policy is for the Employees as defined hereinafter.

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

3. Definitions:

3.1 "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.

3.2 "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.

3.3 "Employee" means every employee of the Company including the Directors in employment of the Company.

3.4 "Code" means the Company's Code of Conduct.

3.5 "Investigators" mean those persons authorized, appointed, consulted or approached by the Compliance Officer to act as such;

3.6 "Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

3.7 "Subject" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

3.8 "Whistle Blower" is someone who makes a Protected Disclosure of any unethical activity that they may have observed under this Policy.

3.9 "Whistle Officer" or "Committee" means an officer or Committee of persons who is nominated/appointed to conduct detailed investigation.

3.10 "Compliance Officer" will be a designated person for the purpose of receiving all complaints under this Policy and ensuring appropriate action. In the first instance, the Audit Committee shall appoint the designated person. The Chairman of the Audit Committee shall have the authority to change the designated person from time to time if need be.

4. Role of Audit Committee:

The Audit Committee is responsible for supervising the development and implementation of this Policy, The Audit Committee shall periodically review the Policy to consider whether amendments are necessary, and, if so, it shall communicate any such amendments to all employees as soon as possible.

5. The Guiding Principles:

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

5.1.1 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure are not victimized for doing so;

5.1.2 Treat victimization as a serious matter including initiating disciplinary action on such person/(s) who practices victimization;

5.1.3 Ensure complete confidentiality.

5.1.4 Not attempt to conceal evidence of the Protected Disclosure;

5.1.5 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

5.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject;

6. Coverage of Policy:

6.1 The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Instance of 'mis-selling'
4. Negligence causing substantial and specific danger to public health and safety
5. Manipulation of company data/records

6. Financial irregularities, including fraud, or suspected fraud
 7. Criminal offence
 8. Pilferation of confidential/propriety information
 9. Deliberate violation of law/regulation/non-compliance
 10. Wastage/misappropriation of company funds/assets
 11. Breach of employee Code of Conduct or Rules
 12. Any other unethical, biased, favored, imprudent event
- 6.2 Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

7. Disqualifications:

- 7.1 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.
- 7.2 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.
- 7.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide*, *frivolous* or *malicious* shall be liable to be prosecuted under Company's Code of Conduct.

8. Manner in which concern can be raised:

- 8.1 Employees can make Protected Disclosure to the Compliance Officer, as soon as possible but not later than 30 consecutive days after becoming aware of the same, by sending an e-mail to the Compliance Officer at secretarial@rathi.com or by sending a complaint letter in a sealed envelope marked "Whistleblower – Private and Confidential" to the Compliance Officer at Express Zone, A-Wing, 10th Floor, Western Express Highway, Goregaon East, Mumbai-400063.
- 8.2 In case of any disclosures pertaining to Compliance Officer, the Whistle- Blower shall address to the Chairman of the Audit Committee by sending a duly signed letter to the following address:

The Chairman,
Audit Committee,
Address: Express Zone, A-Wing, 10th Floor,
Western Express Highway,
Goregaon (East), Mumbai - 400063

- 8.3 Whistle Blower must put his/her name to allegations. Concerns expressed anonymously

WILL NOT BE investigated.

- 8.4 If initial enquiries by the Compliance Officer indicate that the concern has no basis, or it is not a matter to be investigated under this Policy, it may be dismissed at this stage and the decision is documented.
- 8.5 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Compliance Officer alone, or by a Whistle Officer/Committee nominated by the Compliance Officer for this purpose. 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.
- 8.6 Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.
- 8.7 The Compliance Officer /Whistle Officer/Committee shall:
- i) Make a detailed written record of the Protected Disclosure. The record will include:
 - a) Facts of the matter
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether any Protected Disclosure was raised previously against the same Subject;
 - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e) Findings of Compliance Officer /Whistle Officer/Committee;
 - f) The recommendations of the Ombudsperson/Whistle Officer/ Committee on disciplinary/other action/(s).
 - ii) The Whistle Officer/Committee shall finalise and submit the report to the Compliance Officer within 15 days of being nominated/appointed.
- 8.8 On submission of report, the Whistle Officer /Committee shall discuss the matter with Compliance Officer who shall either:
- i) 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;
 - ii) In case the Protected Disclosure is not proved, extinguish the matter;
- Or
- iii) Depending upon the seriousness of the matter, Compliance Officer may refer the matter to the Chairman of the Audit Committee with proposed disciplinary action/counter measures. The Chairman of the Audit Committee, if he thinks fit, may further refer the matter to the Audit Committee for necessary action with his proposal. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.

8.9 The decision taken by the Whistle Blower Committee / Compliance Officer or the Audit Committee (as the case may be) shall be final and binding.

9. Investigations:

- a. Investigators are required to conduct a process towards fact – finding and analysis. Investigators shall derive their authority and access rights from the Compliance Officer 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. 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 Compliance Officer which establishes that:
 - i) the alleged act constitutes prima facie 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 review.
 - d. The investigators are required to complete the investigation and submit the report in a manner and within the time frame specified by the Compliance Officer.
- 9.1 In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he/she can make a direct appeal to the Chairman of the Audit Committee by sending a duly signed letter to the following address:

The Chairman,
Audit Committee,
Address:
Express Zone, A Wing,
10th Floor, Western
Express Highway,
Goregaon (E), Mumbai –
400063, India.

10. Protection:

- 10.1 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, discrimination, any type of harassment, biased behaviour 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 Whistle Blower 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 Whistle Blower to receive advice about the procedure, etc.

10.2 The identity of the Whistle Blower shall be kept confidential.

10.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

11. Secrecy/Confidentiality:

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

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at anytime
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

12. Reporting:

A quarterly report (only when there are reportable issues) with number of complaints received (if any) under the Policy and their outcome shall be placed before the Audit Committee and the Board.

The Audit Committee is responsible for supervising the development and implementation of this Policy, including the work of the Whistle Blower Committee / Compliance Officer.

The Audit Committee shall periodically review the report on the Complaints received pursuant to this Policy.

13. Amendment:

The Audit Committee of the Company shall recommend to the Board any amendments or modifications in this Policy in whole or in part, at any time without assigning any reason, whatsoever.

14. Effective Date

This policy shall be effective from 15th November, 2024.

Version Control

Version	Date of Adoption / Review / Revision	Change Reference	Approving Authority
1.	15 th November, 2024	Adopted	Board of Directors