

# WHISTLE BLOWER POLICY AND VIGIL MECHANISM

## 1. Preface:

- (a) “Ascom Leasing & Investments Limited” (Hereinafter referred to as “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.
- (b) The Company is committed to develop a culture where it is safe for all the Directors and Employees to raise concerns about any poor or unacceptable practice and any event of misconduct. In this regards, the Company has adopted the Code of Conduct (“the Code”).
- (c) The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects Directors/ Employees wishing to raise a concern about serious irregularities within the Company.
- (d) The Policy neither releases Directors/Employees from their duty of confidentiality in the course of their work, nor is it a route for taking grievance about a personal situation.

## 2. Policy:

- 2.1 This Policy is for the Directors and Employees as defined hereinafter.
- 2.2 The Policy has been drawn up so that Directors/Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in this Policy.

## 3. Definitions:

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

- 3.1 “Audit Committee” means the Audit Committee of the Board as may be constituted / reconstituted by the Board of Directors of the Company in accordance with the Section 177 of the Companies Act, 2013 and related rules made thereunder read with the related provisions of the Listing Regulations of Listing Agreement entered into with the Bombay Stock Exchange.
- 3.2 “Code” means the “Code of Conduct”.
- 3.3 “Competent Authority” will be a person authorised, appointed, consulted or approached by the Board for the purpose of receiving all complaints under this Policy and ensuring appropriate action. The Managing Director will be the competent authority under this Policy. In case of conflict of interest (MD being the subject person), the ‘Competent Authority’ means ‘Chairperson/Chairman of the Audit Committee’.

- 3.4 “Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limited to a warning, impositions of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 3.5 “Employee” means every employee of the Company working on full time basis, including the Directors in the employment of the Company.
- 3.6 “Protected Disclosure” means a concern raised by a written communication made in good faith that disclosed 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 under this Policy.
- 3.9 “Whistle Officer” or “Committee” means an officer or Committee of the persons who is nominated / appointed to conduct detailed investigation.

#### **4. 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);
- (c) ensure complete confidentiality.
- (d) 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;
- (f) provide an opportunity of being heard to the persons involved especially to the Subject;

#### **5. Coverage of Policy:**

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

- 1. Abuse of authority
- 2. Breach of Contract

3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud, or suspected fraud
6. Criminal offence
7. Pilferage of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of employee Code of Conduct or Rules
11. Any other unethical, biased, favoured, imprudent event

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

## 6. **Disqualifications:**

- 6.1 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.
- 6.2 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.
- 6.3 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.

## 7. **Procedure:**

- 7.1 All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for the purpose of investigation.
- 7.2 In respect of Protected Disclosures concerning the Top Management of the Company, then such matter shall be addressed to the Chairman of the Audit Committee of the Company and those concerning with the other employees of the Company shall be addressed to the Managing Director by the Company.
- 7.3 Protected Disclosure should be preferably addressed/reported to the Competent Authority, as soon as possible but not later to than 30 consecutive days after becoming aware of the same.
- 7.4 The Protected Disclosure/Complaint should be in typed or hand written in English, Gujarati, Hindi 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 to allow for preliminary review and proper assessment.

- 7.5 The Protected Disclosure should be forwarded under a covering letter attached to a letter bearing the identity of the Whistle Blower/complainant i.e. his/her Name, Employee Number and Location, and should be inserted in an envelope which should be closed/secured/sealed. The envelop thus secured/sealed should be addressed to the Competent Authority and should be mentioned as "Protected Disclosure". (If the envelope is not closed/sealed/secured, it will not be possible to provide protection to the whistle blower as specified under this policy).
- 7.6 If a protected disclosure is received by any executive of the Company other than Chairman of Audit Committee or the Competent Authority as defined under this Policy, the same should be forwarded to the respective Competent Authority or the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- 7.7 Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures WILL NOT BE investigated, as it would not be possible to interview the Whistle Blowers.
- 7.8 If initial enquiries by the Competent Authority 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 is documented.
- 7.9 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Competent Authority alone, or by a Whistle Officer/Committee nominated by the Competent Authority 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.
- 7.10 Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.
- 7.11 The Competent Authority/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 Competent Authority/Whistle Officer/Committee;
    - (f) The recommendations of the Competent Authority / Whistle Officer / Committee on disciplinary / other action/(s).

- 7.12 The identity of a Subject will be kept confidential to the extent possible give the legitimate needs of law and the investigation.
- 7.13 Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 7.14 Subjects shall have a duty to co-operate with the Competent Authority during investigation process to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 7.15 Subjects have a responsibility not to interfere with the investigation process. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, threatened or intimidated by the Subjects.
- 7.16 Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- 7.17 The Whistle Officer/Committee shall finalise and submit the report to the Competent Authority within such time frame as duly communicated by Competent Authority considering the seriousness of the matter.
- 7.18 On submission of report, the Whistle Officer /Committee shall discuss the matter with Competent Authority 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

Depending upon the seriousness of the matter, Competent Authority may refer the matter to the Audit Committee of Directors with proposed disciplinary action/counter measures. 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.

- 7.19 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.

## **8. Whistle Blower's Role and Protection:**

### **(a) Role:**

- 8.1 The Whistle Blower's role is that of a reporting party with reliable information.
- 8.2 The Whistle Blower is not required or expected to conduct any investigations on his own.
- 8.3 The Whistle Blower may also be associated with the investigations, if the case so warrants. However, he shall not have a right to participate.
- 8.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.
- 8.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reason.

### **(b) Protection:**

- 8.6 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy.
- 8.7 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 behavior 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.
- 8.8 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.
- 8.9 A Whistleblower 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.
- 8.10 The identity of the Whistle Blower shall be kept confidential.
- 8.11 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

## **9. 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 formal/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 any time;
- (e) keep the electronic mails and files under password.

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

## **10. Reporting:**

A report on half yearly basis including number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

## **11. Amendment:**

This Policy can be modified at any time by the Audit Committee of the Company, and such modifications shall also be reported to the Board of Directors of the Company.

## **12. Notification:**

The Whistle Blower Policy shall be displayed on the website of the Company ([www.ascomfinance.com](http://www.ascomfinance.com))

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