

**WHISTLE BLOWER POLICY
AND
VIGIL MECHANISM**

YES SECURITIES (INDIA) LIMITED

Whistle Blower Policy and Vigil Mechanism

In compliance with the provisions of the Companies Act, 2013, Rules made thereunder & any amendments thereof and other applicable laws and in accordance with principles of good corporate governance, the Audit Committee of the Company is committed to adopting proper mechanism to receive and address any concern or complaints regarding questionable accounting or auditing matters, internal accounting controls, disclosure matters, reporting of fraudulent financial information to our shareholders, any government entity or the financial markets, or any other matters of the Company involving fraud, employee misconduct, illegality or health and safety and environmental issues which cannot be resolved through normal management channels. Further the mechanism adopted by the Company should encourage the employee and Directors of the Company to report genuine concerns or grievances and shall provide for adequate safeguards against victimization of employees and directors who avail of such mechanism and also provide for direct access to the Chairperson of the Audit Committee, in exceptional cases.

This policy enables the Whistle Blower to raise concerns, without any fear of retribution or vengeance, if he or she has reasonable grounds to believe that the malpractices observed are likely to be detrimental to the interests of the Company.

1.1 Definition

- a) "Whistle blower" is defined as any employee, director, customer, vendor, and/or third-party intermediary engaged to conduct business on behalf of the Company such as agents and consultants who has or had access to data, events or information about an actual, suspected or anticipated Reportable Matter within or by the organisation, and, whether anonymously or not, makes or attempts to make a deliberate, voluntary and protected disclosure or complaint of organisational malpractice.
- b) "Reportable Matter" means Questionable Accounting or Auditing Matters (defined in S. No. c), and/or any other Company matters involving abuse of authority, breach of YES SECURITIES Code of Conduct, fraud, bribery, corruption, employee misconduct, illegality, health & safety, environmental issues, wastage/misappropriation of Company funds/assets, victimization of employees and directors who avail this mechanism and any other unethical conduct.
- c) "Questionable Accounting or Auditing Matters" include, without limitation, the following:
 - Fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;

- Fraud or deliberate error in the recording & maintaining of financial records of the Company;
 - Deficiencies in or non-compliance with the Company's internal accounting controls;
 - Misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
 - Deviation from full and fair reporting of the Company's financial condition
- d) "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with Sec 177 of the Companies Act, 2013 read with applicable rules made thereunder.

1.2 Objective

The Policy intends to encourage and enable Whistle blower to raise Reportable Matters.

The policy aims to:

- Enable a Whistle blower who observes an unethical or improper practice (not necessarily a violation of law), to feel confident in raising serious concerns and to question and act upon concerns about the practice.
- Provide avenues for Whistle Blower to raise their concerns and receive feedback on any action taken.
- Assure the Whistle Blower that he/she will be protected from possible reprisals or victimization for reporting genuine concerns or grievances.

1.3 Scope

The Policy of the Company intends to cover Reportable Matters (as defined in 1.1 b) that may fall outside the scope of other procedures.

What Is Not Covered

The policy will **not** apply to personal grievances concerning an individual's terms and conditions of employment, or other aspects of the working relationship, complaints of bullying or harassment or disciplinary matters.

1.4 Raising a Concern

Who Can Raise a Concern

Any Whistle Blower who has a reasonable belief that there is serious malpractice may raise a concern as per the procedure prescribed in this policy (which may relate to fellow executive(s), immediate Reporting Authority / subordinate or senior management

executive(s). Concerns must be raised without malafide intent and in good institutional faith, and the executive must reasonably believe that the information disclosed and any allegations contained in it, are substantially true and not frivolous.

Confidentiality

All concerns will be treated in confidence and every effort will be made not to reveal the identity of the executive. However, at the appropriate time, the Whistle Blower may have to come forward as a witness.

Anonymous Allegations

This policy encourages the Whistle Blower to put his/her name to the allegation whenever possible. Concerns expressed anonymously are much less powerful but will be reviewed at the discretion of the Company. In exercising the discretion the factors to be taken into account would include, amongst others:

- The seriousness of the issues raised
- The credibility of the concern
- The likelihood of confirming the allegation from attributable sources

How to Raise a Concern

Any person sighting any of the said adverse activities including the above shall report the same within three months from the date he / she comes to know about the said adverse activity; however it would be appreciated if the same is raised as soon as possible.

An email complaint can be sent to the whistleblower committee at **whistleblower@ysil.in** which is then forwarded to the investigation officers.

The said Committee will appoint the investigation officers.

- The complainant shall, together with the intimation about the said adverse activities, furnish all the documents and information, which may substantiate his suspicion. The Company does not expect the complaining executive to prove the concern voiced by him so far as the said executive is raising the concern in good faith and in bona fide interest of the Company.
- The complainant shall send his communication by email at the email id prescribed above.
- The Investigating Officers shall thoroughly investigate about the concern raised by the complaining executive if the concern raised by the said executive is prima facie found to be serious. The Investigating Officers shall submit their report with recommendation to the Review Committee. The decision of the Review Committee in this regard shall be final and binding on all the concerns.
- The executive shall disclose his / her name in the communication sent. If the executive has chosen to maintain anonymity about his/her identity, the Review Committee shall

have the discretion to consider the matter depending upon inter alia, the seriousness and credibility of the issues raised.

- If an executive raises a concern which is genuine under this policy, the Company shall assure that he / she will not be at a risk of losing his / her job or being suffered from any form of retribution as a result. If the executive requests for protection/anonymity, the Company shall not disclose it without his/her consent. However, if the identity of the complaining executive is required to be disclosed during the course of investigation, (say want of evidence in the Court etc.) the Company shall have the right to disclose the same.

Where the executive has disclosed his concerns about the said adverse activities in good faith, no action would be taken against him/her even if the same could not be proved during the subsequent investigation.

1.5 How the Review Committee Respond

Procedure for handling Concerns reported

Whistle Blower Committee comprising of following senior executives of the Company will review concerns raised and direct for investigation and subsequent corrective actions.

- Chief Operating Officer
- Head-Human Capital Management
- Head - Compliance & Company Secretary
- Head - Risk Management

This Committee will decide whether the concern raised should be dealt under the Policy or any other policy prevalent under the Company. If the concern is dealt with under this policy then the Company will take the following steps:

- It will ascertain from the Whistle Blower whether he/she was the person who made the concern or not
- The Committee will not reveal the identity of the Whistle Blower unless the Whistle Blower himself/herself has either made the details of the concern public or disclosed his identity to any other authority
- In case of anonymous complaint, the Committee shall make discreet inquiries to ascertain if there is any basis for proceeding further with the concern

Either, as a result of the discreet enquiry or on the basis of the reported concern itself without any inquiry, the Committee depending upon the nature can cause the concern to be:

- Investigated internally
- Referred to the External Auditors

- The subject of independent enquiry
- Referred to an outside body/authority viz. Police etc.

The investigator appointed by Whistle Blower Committee will submit investigation report along with the recommendations to the said Committee of the Company within 30 days from the date of assignment of the case. The following steps may be taken by Whistle Blower Committee. However, the Whistle Blower Committee will update CEO in case of complaints involving Top / Senior Management executives of the Company.

- Appropriate disciplinary action to be initiated against the concerned executive.
- Appropriate administrative steps to be initiated for redressing the loss caused to the Company as a result of the corrupt act or misuse of office, or any other offence
- Recommend to the appropriate authority / agency for initiation of criminal proceedings, if warranted by the facts and circumstances of the case
- Recommend taking corrective measures to prevent recurrence of such events in future
- Such other appropriate direction, action or step as deemed suitable, keeping in view the facts and circumstances of the case

A quarterly status report on the total number of complaints received during the period, with the findings of investigation and the corrective actions taken will be submitted to the Audit Committee as an update.

If any of the members of either the Audit Committee or the Whistle Blower Committee have a conflicted of interest in a given case, they should recuse themselves and the others on the Committee would deal with the matter as appropriate.

1.6 General

The amount of contact between the executives/officers considering the reported concern and the Whistle Blower will depend on the nature of matters raised, the potential difficulties involved and the clarity of information provided. If necessary, the Company will seek further information from the Whistle Blower.

The Company will take steps to minimize any difficulties, which the Whistle Blower may experience, as a result of raising a concern. For instance, 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.

The person or persons against whom the concern is raised will be informed about the same and will be allowed to respond keeping in mind the principles of natural justice.

The Company will ensure that the concern raised has been properly addressed, and subject to legal constraints the Company will inform the Whistle Blower of the outcome of the action taken.

Safeguards

The Company will take all safeguards to prevent harassment or victimization of the Whistle Blower raising a genuine concern. If the Whistle Blower feels, as a result, he/she is being victimized or has suffered adverse treatment; he/she should submit a formal complaint to the Chairman of the Audit Committee. If it appears that there are reasonable grounds for making the complaint by the Whistle Blower, the onus will be on the person against whom the complaint of adverse treatment has been made, to prove that the same is not the case or that the actions complained of were not taken in retaliation to the concern raised by the executive.

Where it is determined that there is prima facie case that the Whistle Blower has suffered adverse treatment, harassment or victimization as of result of his or her disclosure or reporting of genuine concerns or grievances, a further investigation may take place and appropriate disciplinary action may be taken against the perpetrator in accordance with the relevant procedure. This may also include, at the Company's discretion, directing the perpetrator to suitably compensate the complainant for the loss suffered by him / her, if any.

Untrue Allegations

If a Whistle Blower makes an allegation in good faith, but it is not confirmed by the investigation, no action will be taken against the individual. If, however, an executive makes an allegation frivolously, maliciously or for personal gain, appropriate disciplinary action may be taken against him/her. In case of repeated frivolous complaints being filed by a director or an employee, the Audit Committee may take suitable action against the concerned director or employee including reprimand.

Records

All records pertaining to concerns raised will be retained for a period of 8 years.

The Responsible Officer

The Quarterly Status Report as mentioned above will be submitted by Human Capital Management Department to Company Secretary Department. The Company Secretary shall place Quarterly Status Report with the Audit Committee on the total number of complaints received during the period along with the findings of investigation and the corrective actions taken.

Amendment

The Board of Directors of the Company is authorized to approve amendments to the Policy of the Company to bring it in line with any regulatory changes introduced by Companies Act, 2013 and the rules made thereunder or by virtue of any other legislation enacted by any other regulatory authority or the Government whether Central or State as applicable from time to time.
