

CHOKHANI SECURITIES LTD

WHISTLE BLOWER POLICY

1. Introduction

The Company is committed to conducting its business in accordance with the highest standards of business ethics, openness, probity and accountability. The Company is opposed and seriously takes to any unethical or unlawful conduct by any of its employees. To that end, any evidence of malpractice or impropriety will be treated by the Company with utmost seriousness.

An important aspect of accountability and transparency is a mechanism to enable stakeholders of the Company to voice concerns in a responsible and effective manner. It is a fundamental aspect of every contract of employment that an employee will faithfully serve his or her employer, shall not misuse his or her position in the organization and shall not disclose confidential information about the employer's affairs to his or here advantage.

Nevertheless, where an individual discovers information, which prime facie shows any malpractice or wrongdoing within the organization then this information should be disclosed internally without fear of reprisal. The Company has endorsed the provisions as set out below so as to ensure that no stakeholder should feel at a disadvantage in raising legitimate concerns. It is emphasized that these guidelines are intended to assist to those stakeholders, who believe that they have discovered malpractice or impropriety in the organization. However, it should be noted that the whistleblower policy is not designed to question financial or business decisions taken by the Company nor should it be used to reconsider any matters, which have already been addressed under harassment, complaint, disciplinary or other procedures.

3. Definitions

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

- a. "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 and rules made thereunder, read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- b. "Disciplinary Action" means any action taken on the completion of or during investigation proceedings, which inter alia includes a warning, imposition of fine, suspension from official duties or any such other action as is deemed fit considering the gravity of the situation.
- c. "Disclosure" means any communication made in good faith that discloses or demonstrates unethical or improper activity including activities mentioned in Clause 3 of this Policy.
- d. "Stakeholder" means:
 - i) any employee of the Company (whether working in India or abroad);
 - ii) Directors of the Company includes Managing Director and Executive Directors, if any;
 - iii) Customers, contractors and third-party intermediaries engaged by the Company, such as agents and consultants.
 - iv) Authorized representatives of recognized unions of employees of the Company.
- e. "Investigators" means those persons authorized, appointed, consulted or approached by the Managing Director or the Chairman of the Audit Committee and include the auditors of the Company and the police.
- f. "Whistle Blower" means Stakeholder making a Disclosure under this Policy.

3. Scope

This Whistleblower Policy is designed to enable the stakeholders of the Company to raise concerns internally and bring the information to notice of a high level, which the individual believes shows malpractice or impropriety which could affect the business or reputation of the Company. Any allegations which fall within the scope of the concerns identified below will always be seriously considered and investigated. These concerns would include but not be restricted to:

- Financial malpractice or impropriety or fraud
- Failure to comply with a legal obligation or Statutes
- Dangers to Health & Safety of the employees or the environment
- Criminal activity
- Unethical practices/lack of appropriate professional standards in breach of the Company's Code of Conduct
- Corruption
- Discrimination
- Harassment, whether vertical or horizontal
- Abuse of authority
- Negligence causing substantial and specific danger to public health and safety
- Any other imprudent event; and
- Deliberate concealment of any of the above

This Policy shall not cover issues arising out of personal employment situations. The Whistle Blower's role is that of a reporting party with reliable information. He or she is not required or expected to act as investigator or finders of facts, nor he is expected to determine the corrective or remedial action that may be warranted in a given case.

Whistle Blowers should not act on their own in conducting any investigative activities nor do they have a right to participate in any investigative activities other than as requested by the person investigating the matter.

4. Guiding Principles

To ensure that this Policy is adhered to and to assure the timely action, the Company will:

- i) Ensure that the Whistle Blower is not victimized for making disclosure;
- ii) Treat victimization as a serious matter including initiating disciplinary action on such Person;
- iii) Ensure complete confidentiality
- iv) Not to conceal evidence of the Disclosures
- v) Take disciplinary action, if any one destroys or conceals evidence of the disclosure made;
- vi) Provide an opportunity of being heard to the persons involved especially to the person against whom complaint is made.

5. Safeguards

- a) Protection: The Company will offer protection to those Stakeholders, who disclose such concerns provided the Disclosure is made –
 - in good faith
 - in the reasonable belief of the individual making the disclosure that it tends to show malpractice or impropriety; and
 - to an appropriate person.

No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Disclosure under this Policy. 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 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 Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of

Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower

While it will be ensured that genuine Whistle Blower is accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant Disciplinary Action. 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 malafide intention.

b) Confidentiality: The Company will treat all such disclosures in a confidential and sensitive manner. The identity of the Whistleblower may be kept confidential so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required and if required, be prepared to participate in any investigation proceedings, which may follow.

6. Anonymous Allegations

The organization will encourage individuals to put their names to any Disclosure they make. Disclosures made anonymously are much less credible, but it may be considered at the discretion of the Audit Committee.

In exercising this discretion, the following factors may be taken into account:

- The seriousness of the issues raised
- The credibility of the Whistleblower
- The probability of confirming the disclosures from attributable sources

7. Untrue Allegations

If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual. However, Whistle Blower who make any Disclosures, which have been subsequently found to be malafide or malicious or Whistle Blowers who make three or more Disclosures which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, disciplinary action may be taken against such individual.

6. Procedure for making a Disclosure:

1) Individuals must raise their concerns to the Managing Director, who will act as the investigative officer of the Company. The Managing Director has been authorized by the Board of Directors and Audit Committee of the Company for the purpose of receiving all complaints under this Policy and in ensuring appropriate action. The Managing Director of the Company may pass on the complaint to any other appropriate person (Investigators), if he feels that such person can more appropriately investigate the complaint without any conflict of interest.

2) All Disclosures concerning matters relating to the working Directors of the Company should be addressed to the Chairman of the Audit Committee of the Company for investigation. The Chairman of the Audit Committee may pass on the complaint to any other appropriate person (Investigators), if he feels that such person can more appropriately investigate the complaint without any conflict of interest.

3) (i) The contact details of the Chairman / Managing Director are as under:

Mr. Ramakant R Chokhani
5A, Maker Bhavan-2 , Sir V.T. Marg, New Marine Lines
Mumbai 400 020
email: rrchokhani@rrcfinancials.com

(ii) The contact details of the Chairman of the Audit Committee are as under:

Mr. Pravin Gupta
5A, Maker Bhavan-2, New Marine Lines
Mumbai 400 020
Mumbai
email:

(iii) The contact details of the Compliance Officer of the Company are as under:

Mr. Manish Parikh

5A, Maker Bhavan-2, New Marine Lines
Mumbai 400 020
e-mail: manish.parikh@rrcfinancials.com

4) If a Disclosure is received by any employee of the Company other than the Managing Director of the Company / Chairman of the Audit Committee, the same should be forwarded to the Managing Director of the Company or the Chairman of the Audit Committee for further appropriate action. Appropriate care will be taken to keep the identity of the Whistle Blower confidential by such employee.

5) All Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should be either typed or written in a legible handwriting. Though the Whistleblower is not expected to prove the allegation, he needs to demonstrate that there are prime facie sufficient grounds for concern.

6) Disclosure shall be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for a proper assessment of the nature and extent of the concern.

7. Investigation Procedure

a) All Disclosures reported under this Policy will be thoroughly investigated by the Managing Director of the Company/ Chairman of the Audit Committee of the Company. Managing Director of the Company/ Chairman of the Audit Committee may at his discretion appoint any Investigator for the purpose of assisting him.

b) The decision to conduct an investigation taken by the Managing Director / Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact finding process and without presumption of guilt. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.

c) If initial enquiries by the Managing Director of the Company / Chairman of the Audit Committee indicate that the disclosures made by the Whistleblower has no basis or it is not a matter to be pursued under this Policy, it may be dismissed at this stage and the decision documented. The complainant shall be informed of the decision at this point.

d) Where the initial enquiries indicate that further investigation is necessary, then a formal investigation will be carried out through Deputy Chairman and Managing Director of the Company, who shall be free in his discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of the results.

e) The identity of the Whistle Blower and the person against whom the complaint has been made will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

f) The person against whom the complaint has been made should be informed of the allegations at the outset of a formal investigation and the said person shall be given an opportunity for providing his/her inputs during the investigation.

g) The person against whom a complaint is made shall have a right to consult with a person or persons of his/her choice other than the Managing Director of the Company /Investigators and/or members of the Audit Committee and/or the Whistle Blower.

h) The person against whom a complaint has been made shall not interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, coached, threatened or intimidated by the such person.

i) A judgment concerning the Disclosure and its validity will be made by the Managing Director/Chairman of the Audit Committee of the Company. This judgment will be in a written report containing the findings of the investigations and reasons for the judgment. The report will be passed to the Audit Committee.

j) Based on the judgment of the Managing Director/Chairman, disciplinary and other appropriate Company procedures will be invoked.

l) The management of the Company in consultation with the Audit Committee shall decide what action to take as well as preventive measures to stop recurrence of incidence complained of, in future. If the complaint is shown to be justified, the disciplinary or other appropriate Company procedures will be invoked.

m) The Whistleblower should be kept informed of the progress of the investigations and, if appropriate, of the final outcome.

n) If the Whistleblower is not satisfied that his concern is being properly dealt with by the Investigator, he/ she have the right to raise it in confidence with the Managing Director or the Chairman of the Audit Committee.

8. Criminal Activity

If there is evidence of criminal activity, the Managing Director/Chairman of the Audit Committee may inform the police. The Company shall ensure that any internal investigation does not hinder a formal police investigation.

9. Record Keeping

The Investigating Officers shall keep confidential records of all documents relating to allegations or concerns and report back to the Audit Committee on a regular basis.

10. Compliance

The Company shall annually affirm in the Board's Report on Corporate Governance that it has adhered to the provisions of this policy.

11. Amendment

Subject to the approval of the Board of Directors, this Policy may be amended or modified in whole or in part, from time to time in line with the business requirement of the Company or for any statutory enactment of amendment thereto.

For Chokhani Securities Limited

Sd/-
Ramakant R Chokhani
Director