

PRIME SECURITIES LIMITED

WHISTLE BLOWER POLICY

PREFACE

Prime Securities Limited (“PSL”) follows highest standards of business ethics and management practices in the conduct of its business.

Directors and Employees are often the first to realise that there may be something not in order requiring redressal by the Company. PSL is committed to the highest possible standards of openness, probity and accountability. In line with that commitment, PSL Directors and Employees, with concerns about any aspect of the Company, are encouraged to come forward and voice their concerns to the Management.

Whistle Blower Policy is a device to help alert and responsible individuals to bring to the attention of the Management, promptly and directly, any unethical behaviour, suspected fraud or abrasion or irregularity in the Company practices which is not in line with PSL’s Code of Business Principles or the law of the land, without any fear or threat of being victimised.

Whistle Blower Policy expects Employees and Directors to be the guardian of PSL’s core values and the corporate purpose. The spirit of the Policy is to foster a sense of collective responsibility in safeguarding the business interests. The Policy provides an avenue to report matters directly to the Management or to the Chairman of the Audit Committee. The policy also provides for reporting in confidence. Through this Policy, a vigil mechanism is established for every employee to report genuine concerns.

The assurance and co-operation from the Management in safeguarding the interest of the individuals who choose to report matters of principles to the Management is reinforced by the Whistle Blower Policy. In the process, it is also ensured that the Policy is not misused.

The Whistle Blower Policy supplements the Code of Conduct of the Company. This Policy is issued pursuant to Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 and clause 49 of the Listing Agreement.

Disclosure in Confidence with Confidence

1. Aim and Scope of the Policy

- (a) This policy aims to:
 - i) Provide avenues for Employees and Directors to raise concerns and receive feedback on any action taken;
 - ii) Provide avenue for Employees and Directors to report breach of Company's policies;

- iii) Reassure Employees and Directors that they will be protected from reprisals or victimisation for Whistle Blowing in good faith.
- (b) There are existing procedures in place to enable employees to lodge a grievance relating to their own employment. This Whistle Blower Policy is intended to cover concerns that fall outside the scope of other procedures. That concern may be about an act or omission that:
 - i) is unlawful or in breach of any law;
 - ii) is against the Company's Policies;
 - iii) falls below established standards or practices; or
 - iv) amounts to improper conduct, unethical behaviour or suspected fraud.

2. Safeguards

(a) Harassment or Victimisation

The Company recognises that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice or from superiors. The Company will not tolerate harassment or victimisation and will take action to protect an individual when they raise a concern in good faith. In case, a Whistle Blower is already the subject of any disciplinary action those procedures will not be halted as a result of their Whistle Blowing.

(b) Confidentiality

The Company will do its best to protect an individual's identity when he/she raises a concern and does not want their name to be disclosed. It must be appreciated that a statement from the Whistle Blower may be required as part of the evidence in the investigation process.

(c) Anonymous Allegations

This Policy encourages individuals to put their names to allegations. However, individuals may raise concerns anonymously. Concerns expressed anonymously will be evaluated by the Company for investigation. In exercising this discretion, the factors to be taken into account would include:

- i) seriousness of the issue raised;
- ii) credibility of the concern; and
- iii) likelihood of confirming the allegation from attributable sources.

(d) Untrue Allegations

If the Whistle Blower makes an allegation in good faith, which is not confirmed by the investigation, no action will be taken against the Whistle Blower. If a complaint is malicious or vexatious, disciplinary action will be taken.

3. Procedure for Raising a Concern

- (a) All operational concerns shall be raised with the Chairman of the Audit Committee of the Board of Director of the Company for investigation. Whistle Blowing mechanism should be used for potentially serious or sensitive issues.

The contact detail of the Chairman of the Audit Committee is as under:

Mr. Pradip Dubhashi
B-29, Abhimanshree Housing Society, Pashan Road, Pune 411008
Contact Details: 91-9823167571
E-mail: pradip@primesec.com

- (b) If the concern is sent to any executive of the Company other than Chairman of Audit Committee, the same should be forwarded to the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.
- (c) Concerns should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- (d) The background and history of the concern, giving names, dates and places where possible, should be set out and the reason why the individual is particularly concerned about the situation.
- (e) Concern should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- (f) The complainant is not expected to prove the truth of allegation, but should be able to demonstrate that there are sufficient grounds for concern. Employees must raise

concerns immediately. This will support investigation process and enable faster implementation of corrective actions, if any.

4. How the Concern will be dealt with

- (a) The concerns raised may:
 - i) form the subject of an independent inquiry;
 - ii) be investigated internally;
 - iii) be referred to the external Auditor; or
 - iv) be referred to the police; if required.
- (b) Upon receipt of a concern, the Chairman of the Audit Committee shall make an initial enquiry to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may also be resolved by an agreed action without the need for investigation.
- (c) After the concern has been evaluated, the Company will write to the Whistle Blower:
 - i) acknowledging that the concern has been received;
 - ii) indicating how it is proposed to be dealt with;
 - iii) informing whether further investigations will take place, and if not, why not
- (d) The amount of contact between the Chairman of the Audit Committee considering the issues and the Whistle Blower will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the Whistle Blower.
- (e) The Company will take steps to protect the Whistle Blower from victimisation and minimise any difficulties which a person reporting under Whistle Blowing may experience as a result of raising a concern.
- (f) The Company accepts and would take such steps as may be required to assure the Whistle Blower that the matter has been appropriately addressed.

5. Reporting

The concerns raised under Whistle Blowing shall be reported periodically to the Audit Committee of the Company. Any member of the Audit Committee who may have a conflict of interest in respect of the matter under investigation / the concern should recuse himself and the other members of the Committee shall deal with the matter.

6. Decision

If an investigation leads the Chairman of the Audit Committee to conclude that an illegal, improper or unethical act has been committed, the Chairman of the Audit Committee shall direct the Management of the Company to take such disciplinary or corrective action as he deems fit against any other personnel involved in illegal, improper or unethical act. Further, if it is established that any other personnel involved in such act is accustomed to act in accordance with the directions / instructions of any another person, the Chairman of the Audit Committee may initiate such action as it may deem fit. It is clarified that any disciplinary or corrective action initiated against the any person as a result of the findings of an investigation pursuant to this Policy, shall be in line with the applicable personnel / staff conduct and disciplinary procedures.

7. Retention of Documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of three years.

8. Disclosure

The details of establishment of this Policy would be disclosed on the Company's website and also in the Board's Report.

Policy Adoption History

Adoption Date	Adoption Authority	Particulars
March 27, 2015	Board of Directors	Adopted pursuant to the provisions of revised Clause 49 of the Listing Agreement in terms of SEBI circulars dated April 17, 2014 and September 15, 2014
January 14, 2016	Board of Directors	Whistle Blower Policy adopted on March 27, 2015, pursuant to the provisions of Clause 49 of the Listing Agreement, adopted again in terms of the provisions of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified by SEBI on September 2, 2015