

## **WHISTLE BLOWER POLICY**

### **Preface:**

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 behaviour.

The Company is committed in developing a culture where it is safe for all stakeholders including directors and employees to raise concerns/alarm on issues involving malpractices, violation of law of the land, abuse of power, financial irregularities or violation of code of conduct violation of regulatory guidelines etc.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects stakeholders including directors and employees wishing to raise a concern about serious irregularities within the Company from being victimized/harassed, including by the superiors in some cases.

This policy neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

### **Applicability:**

All stakeholders, directors, employees and any union/ association of employees of The Calcutta Stock Exchange Limited (CSE) are covered under this policy.

### **Definitions:**

“Audit Committee” means the Audit Committed constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.

“Disciplinary Action” means any action that can be taken on the completing of/during the investigation proceedings including but not limiting to a warning, imposition of fine, of suspension from official duties or termination of services or any such action as is deemed to be fit considering the gravity of the matter.

“Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical behaviour, actual or suspected, fraud or violation of the Code or any other unethical or improper activity, abuse of authority by any Director or employee, misuse or improper use of accounting policies and procedures resulting in misrepresentation of accounts and financial statements.

“Whistle Blower” is someone who makes a Protected Disclosure under this Policy.

### **Coverage of Policy:**

Any whistle blower who in good faith, raises concern/discloses factual information on matters of organizational concern to the Audit Committee which the whistle blower believes contains some harmful violation and/or potentially harmful violation with respect to:

1. Abuse of authority
2. Manipulation of company data/records
3. Financial irregularities, including fraud, or suspected fraud
4. Pilferation of confidential/propriety information
5. Wastage/misappropriation of company funds/assets
6. Any other unethical, biased, favoured, imprudent event

Whistle Blower may be any stakeholder including director, employee and union/ association of employees and the concern/disclosure of information must be given in writing duly signed in his/her individual capacity in a sealed envelope to Chairman (Audit Committee), The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata-700001. A Whistle Blower can raise a concern in the manner prescribed by sending an email addressed to Whistle Blower Id (email id:whistleblower@cse-india.com). It must be substantiated with reasonable evidence. Anonymous letter or letters without supporting facts shall not be covered under the Whistle Blower Policy.

### **Exclusions :**

Issues arising out of Company's policy with regard to performance bonus, promotions, increment, leave sanctions and transfers will not be dealt with under this Policy.

### **Eligibility :**

All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures shall be in relation to matters concerning the Company.

### **Frivolous Complaints:**

Any employee who makes frivolous complaints without sufficient and reasonable facts leading to evidence in support of his/her concerns will be punishable as may be decided by Audit Committee.

### **Protection under the policy:**

All genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment, harassment, victimization etc. Where the Whistle Blower has any grievance on account of unfair treatment, harassment, victimization etc., he can file his grievance before the Chairman of the Audit Committee. Further, the Whistle Blower shall also be allowed access to the Chairman of the Audit Committee, in exceptional cases, as may be decided by the Chairman of the Audit Committee.

**Disqualifications:**

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.

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.

Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

**Investigation:**

The Audit Committee will regulate its own conduct of enquiry and the process in which it should be conducted.

All concerns raised by the Whistle Blower under this policy will be investigated by the Chairman of the Audit Committee through an Apex Committee. The composition of the Apex Committee will normally comprise of MD & CEO and Head-HR, unless otherwise specified by the Audit Committee. The Apex Committee will meet and complete the investigation within 3 working days of receiving the reference from the Audit Committee.

The decision of the Chairman shall be final and binding on all concerned. All information disclosed during the course of investigation shall remain strictly confidential.

If any of the members of the Audit Committee have a conflict of interest in a given case, they will recuse themselves and the others on the committee shall deal with the matter on hand.

**Investigation Report and Disciplinary Action:**

If the Investigation Report reveals that the concerns raised are true/partially true, the Apex Committee shall suggest remedial steps to the MD & CEO with the time frame for implementing the step as well as for taking necessary disciplinary action, if any. The MD & CEO will immediately take steps to remove the concerns found in the investigation report and take necessary disciplinary action as may be warranted. In case disciplinary action is recommended/ initiated then the aggrieved employee may appeal to the Chairman of the Audit Committee within 3 working days. This application will be made in writing to the Chairman who shall be the Appellate Authority. The decision of the Chairman shall be final and binding with respect to the employee and the Management.

As it is purely an internal enquiry of the Audit Committee in conformity with the policy, no attorney/advisor will be permitted to assist either the whistle blower or the employee against whom the complaints are made/concerns are raised. During the investigation, if it is found that there is no merit in concerns raised by the whistle blower, no action will be taken against the whistle blower provided the Committee is satisfied that the concerns expressed by the whistle blower are not in the nature of a frivolous complaint or lack bonafides.

**Immunity:**

Any employee who acts in good faith while discharging responsibilities and makes a mistake in the process, the same shall not be construed as harmful violation to the detriment of the organization provided such employee makes the case for acting in good faith.

**Residual Power:**

If there is any doubt on any of the definitions / clarifications required on whistle blower policy the Audit Committee shall be the final authority in deciding the matter.

**Retention of documents :**

All Protected Disclosures documented along with the proceedings and results of investigation relating thereto shall be retained by the Company for a minimum period of five years.

**Amendment :**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. Unless otherwise specified, such amendments shall be effective from the date of the meeting of the Board of Directors of the Company at which such amendments are approved.

**Dissemination :**

The Policy shall be appropriately displayed and/or uploaded in the Company's website.