

## **Vigil Mechanism/Whistle Blower Policy**

### **1. Background**

We, Naysaa Securities Limited distribute financial products issued by third-party institutions, through our electronic brokerage platform, physical distribution network, sub-brokers, authorised persons and personnel at our dedicated dealer helpdesks and at our branches. The structure of some third-party products that we distribute and services that we refer clients to may be complex and involve various risks, including credit risks, interest risks, liquidity risks and other risks. However, Section 177 (9) and (10) of the Companies Act, 2013 provides for establishment of a vigil mechanism in every listed company for its directors and employees to report genuine concerns in such manner as may be prescribed. The Vigil Mechanism should provide for adequate safeguards against victimisation of directors, employees who use such mechanism to report any protected disclosure and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Further, directors and employees can also report concerns about unethical behaviour, actual or suspected fraud, leakage of unpublished price sensitive information or suspected leakage of unpublished price sensitive information or violation of the Code of Business Conduct and Ethics for NSL Board of Directors and Employees under the Vigil Mechanism. The Whistle Blower Policy is an integral part of Vigil Mechanism, which provides for adequate safeguards against victimization of individuals who utilize such mechanism to report any concerns.

### **Objective**

The Whistle Blower Policy / Vigil Mechanism aims to establish a mechanism to receive complaints relating to disclosure on any allegation of corruption or wilful misuse of power or wilful misuse of discretion, to report concerns about unethical behaviour, actual or suspected fraud, leakage of unpublished price sensitive information or suspected leakage of unpublished price sensitive information or violation of the Code of Business Conduct and Ethics for NSL's Board of Directors and Employees, against any employee/public servant and to inquire or cause an inquiry into such disclosure and to provide adequate safeguards against victimisation of the person making such complaint subject to the disclosure or complaint being made in good faith and in reasonable time.

## **2. Definitions**

- (a) "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with the provisions of Section 177 of the Companies Act, 2013 and Rules made thereunder, read with relevant provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended from time to time).
- (b) "Board" means the Board of Directors of NSL Limited or NSL.
- (c) "Complaint" means an expression of an improper activity, made in writing by any Director or Employee of the Company in conformity with this Policy.
- (d) "Complainant" or "Whistle Blower" means a complainant who makes Protected Disclosure under this Policy.
- (e) "Competent Authority" means the Chairperson of Audit Committee of the Board of Directors.
- (f) "Improper Activity" means any activity by an employee of the Company that is undertaken in performance of his or her official duty, whether or not that act is within the scope of his or her employment, and that is in violation of any law or the provisions of Company's Code of Conduct applicable to the employees, including but not limited to corruption, bribery, theft, misuse of Company's property, fraudulent claim, actual or suspected fraud, wilful omission to perform duty, actual or suspected leakage of unpublished price sensitive information etc.
- (g) "Protected Disclosures" means a bona-fide communication of any improper activity in relation to the matters concerning the Company, raised by a Director / Employee of the Company through a written communication and made in good faith. The protected disclosure should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

## **3. Who Can Make Disclosure**

Under the Whistle Blower Policy, any Director on the Board of NSL, employees of NSL can make Protected Disclosure under this Policy.

#### **4. Protection to Whistle Blower**

Under Whistle Blower Policy, NSL shall ensure that the person who has made a Protected Disclosure under the Policy or rendered assistance in inquiry under the Policy, is not victimised by initiation of any proceedings or otherwise, merely on raising alarm over an act of corruption, misuse of power or discretion, to report concerns about unethical behaviour, actual or suspected fraud, leakage of unpublished price sensitive information or suspected leakage of unpublished price sensitive information or violation of the Code of Business Conduct and Ethics for NSL's Board of Directors and Employees in NSL. The identity of the Whistle Blower will not be revealed unless the complainant himself has made the details of the complaint either public or disclosed his identity to any other office or authority.

The protection is available provided that:

- i. The disclosure/ complaint has been made in good faith.
- ii. The complainant/ Whistle Blower is not acting for personal gain
- iii. The complainant/ Whistle Blower reasonably believe that information or any allegation contained in the complaint / disclosure, is substantially true.

If the employee raising alarm as whistle blower, is aggrieved by any action on the ground that he is being victimized due to the fact that he had filed a complaint or disclosure, he may file an application before the Chairman, Audit Committee, for seeking redressal in the matter, who shall take such action as deemed fit. Despite this if the Chief Vigilance Officer of NSL is of the opinion that either the complainant or the witnesses need protection, he shall take up the matter with the Central Vigilance Commission.

However, if the complaint is found to be vexatious or misleading, the Competent Authority may direct proceedings against the complainant.

#### **5. Reporting Leakage of Unpublished Price Sensitive Information or Suspected Leakage of Unpublished Price Sensitive Information**

**Any person becoming aware of any** leakage of Unpublished Price Sensitive Information or any suspected leakage of Unpublished Price Sensitive Information can report of event, as per the procedure prescribed in this Policy.

## **6. Procedure for Disclosure / Complaint under Vigil Mechanism**

NSL will have the responsibility of keeping the identity of the directors, employee making disclosure as confidential. Hence, the person making any protected disclosure should comply with the following aspects:

(i) The complaint should be in a closed/secured envelope addressed to the Chairman, Audit Committee of Board as under.

### **The Chairman**

Audit Committee of Directors

NSL Limited

102/104,SHIVAM

CHAMBERS,

S.V.ROAD,

GOREGAON(WEST),

MUMBAI-400062

(ii) The envelope should be super scribed "Protected Disclosure under the Whistle Blower Policy". If the envelope is not super scribed and closed, it may not be possible to protect the identity of person making disclosure under this Policy and the complaint will be dealt with as per the normal complaint policy of the organisation. The complainant should give his/her name and address in the beginning or end of complaint or in an attached letter. Any particulars w.r.t, Name, Address, etc. which may disclose the identity of the complainant shall not be mentioned on the envelope.

(iii) Anonymous/pseudonymous complaints shall not be entertained.

(iv) The text of the complaint should be carefully drafted so as not to give any details or clue to his/her identity. However, the details of the complaint should be specific and verifiable.

(v) In order to protect identity of the person, NSL will not issue any acknowledgement and the whistle-blowers are advised not to enter into any further correspondence with NSL in their own interest. NSL assures that, subject to the facts of the case being verifiable, it will take necessary action, as provided in the Policy. If any clarification is required, NSL will get in touch with the complainant.

(vi) Whistle blower should refrain from sending reminder or seeking further development/ action taken regarding disclosure made by him so as to protect his/her identity.

(vii) An employee who knowingly makes false allegations under this Policy, shall be subject to disciplinary action and will not be protected under the Whistle Blower Policy.

(viii) The Whistle Blower shall also declare that he / she has not made any complaint on the same subject matter to any outside Authority / Agency or under any other available mechanism provided by the Company.

(ix) No action on the complaint shall be initiated in case the identity of the complainant is not provided or the same is found to be false or incorrect.

## **7. Procedure For Handling whistle Blower Complaints**

- 1) All the envelopes super-scribed with "Protected Disclosures under the Whistle Blower Policy" will be opened in the presence of Chairman, Audit Committee of Directors, by an authorised personnel as authorised by the Chairman, Audit Committee of Directors.
- 2) Once the Chairman, Audit Committee of Director approves admitting of the Complaint under Whistle Blower Policy the same will be entered into a Register maintained for this purpose containing brief particulars of the disclosure received under this Policy and a Unique Reference Number (URN) will be assigned to the Complainant.
- 3) Any further correspondence in respect to the complaint shall be addressed vide the URN assigned against it.
- 4) Within a reasonable period of receipt of a disclosure, the Authorised official shall provide an acknowledgement, followed by an initial response to the Whistle Blower on a selective basis.
- 5) The Authorised Personnel shall prepare a brief note along with supporting documents on the complaint received and shall place the same before the Chairman, Audit Committee of Directors for necessary directions. The note prepared will not contain any particular w.r.t. the identity of the complainant.
- 6) If there is any serious issue involved in any type of disclosure, the matter shall be brought to the notice of the MD & CEO. However, in case of conflict of interest, the matter shall be brought to the notice of Chairman of the Board or to the Board, as the case may be.

A Periodic report on the complaints received under this Policy shall be placed before the Audit Committee of Directors for review.

- 7) Any disclosure relating to Fraud and subject matters having vigilance implications will be brought to the notice of the CVO for further action.

## **8. Amendment of Vigil/Whistle Blower Policy**

NSL reserves the right to amend or modify this Policy in whole or in part, at anytime without assigning any reason whatsoever.

## **9. Responsibility for implementation**

The Audit Committee of Directors of NSL shall have the responsibility for overseeing the Vigil Mechanism in NSL.

## **10. Publicity on Website.**

This Whistle Blower Policy shall be placed on website and circulated through intranet for awareness among employees of NSL.

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