

LKP SECURITIES LIMITED

WHISTLE BLOWER POLICY

I. PREAMBLE

The Company believes in conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of honesty, integrity and ethical behavior. Hence, the Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. Any actual or potential violation of the Code, howsoever insignificant, would be a matter of serious concern for the Company. The role of the Directors, Employees in pointing out such violations of the Code cannot be disregarded. The Company had already adopted its Code of Conduct which lays down the principles and standards that should govern the actions of the Company and its Directors and Senior Management.

Further, to achieve these objectives more effectively, the Company is desirous of establishing a mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud, illegal activities or violation of the Company's ethical standards or policies.

Section 177(9) of the Companies Act, 2013 read with the Rules thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides for all listed companies to mandatorily establish a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees, to report instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide for adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Ethics Counselor or the Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

II. DEFINITIONS

"Adverse Personnel Action"

An employment related act or decision or a failure to take appropriate action by managerial personnel which may affect the employees' employment, including but not limited to compensation, promotion, job location, job profile, immunities, leaves & training rights or other privileges.

“Alleged Wrongful Conduct”

Alleged wrongful conduct shall mean violation of law, infringement of Company's Code of Conduct or of Company's Rules, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

“Audit Committee”

Audit Committee shall mean a Committee of Board of Directors of the Company, comprising of all Non - Executives Directors, constituted in accordance with provisions of Section 177 of the Companies Act, 2013 read with Clause 49 of amended Listing Agreement entered into by the Company with Stock exchanges.

“Company”

Company means "LKP Securities Limited".

“Employee”

Employee means every employee of the Company (whether working in India or abroad)

“Ethics Counselor”

Ethics Counselor means such persons, as referred further in Part VI of this document, appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

“Good Faith”

An employee shall be deemed to be communicating in 'good faith' if there is a reasonable basis for communication of unethical and improper practices or of any other alleged wrongful conduct.

Good faith shall be deemed lacking when the employee does not have personnel knowledge of a factual basis for the communication or where the employee knew or reasonably should have known the communication about unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

“Investigators”

Investigators mean those persons authorised, appointed, consulted or approached by the Ethics Counselor or the Chairman of Audit Committee.

“Protected Disclosure”

Protected Disclosure means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures may be in relation to any matters concerning the Company.

“Policy or This Policy”

The Policy or This Policy means the "Whistle Blower Policy".

“Subject”

Subject means a person against or in relation to whom a Protected Disclosure has been made or evidence has been gathered during the course of an investigation.

“Unethical & Improper Practices”

Unethical & improper practices shall mean:

1. An act, which does not confirm to approved standard of social and professional behaviour;
2. An act, which leads to unethical business practices;
3. An act, which may be detrimental to the image of the Company;
4. Any unethical conduct;
5. Breach of etiquette or morally offensive behavior, etc.

“Whistle Blower”

An employee or Director of the Company who makes a protected disclosure in good faith, of any unethical & improper practices or alleged wrongful conduct in writing under this Policy.

III. APPLICABILITY

This policy applies to all the Directors and all employees of the Company.

IV. COVERAGE OF POLICY

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud or suspected fraud
6. Criminal offence
7. Pilferation of confidential/ proprietary information
8. Deliberate violation of law/regulation
9. Wastage/ misappropriation of company funds/ assets
10. Breach of Code of Conduct or other Rules
11. Any other unethical, biased, favored, imprudent event

This policy should not be used in place of the Company's grievance procedures or construed to be a route for raising malicious or unfounded allegations against colleagues. 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 mala fide intention.

V. INTERPRETATION

Terms that have not been defined in this policy shall have the same meaning assigned to them in the Companies Act, 2013 and/ or any other SEBI Regulation(s) as amended from time to time.

VI. GUIDELINES

A. Procedures

Ethics Counselors of the Company:

i) Mr. Pratik M. Doshi - Whole-time Director
1303 / 1304, 13TH Floor Raheja Centre, Free Press Marg, Nariman Point,
Mumbai – 400 021.

E-mail: pratik_doshi@lkipsec.com

ii) Mr. Sativnderpal Singh Gulati – Director
112 A – Embassy Centre,

Nariman Point,
Mumbai- 400021.
E-mail: gulati@lcpsec.com

Chairman of Audit Committee:
Mr. Ganesh Malhotra
1303 / 1304, 13TH Floor Raheja Centre, Free Press Marg, Nariman Point,
Mumbai – 400 021.
E-mail: gmalhotra@phoenixadvisory.co.in

- 1) Any Protected Disclosures made by any employee or Director should be addressed to the Ethics Counselor of the Company. The Ethics Counselor may forward such protected disclosures to the Chairman of the Audit Committee in certain exceptional or appropriate cases, as he may deem fit. However, in case a protected disclosure is required to be made concerning the Ethics Counselor or in other such exceptional cases, the disclosure may be made to the Chairman of the Audit Committee.
- 2) Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.
- 3) Employees can make Protected Disclosure to the Ethics Counselor, as soon as possible but not later than 60 consecutive days after becoming aware of the same.
- 4) Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
- 5) If initial enquiries by the Ethics Counselor / Chairman of the Audit Committee indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision be documented.
- 6) Where initial enquiries indicate that further investigation is necessary, it will be carried through either by the Ethics Counselor / Chairman of the Audit Committee alone or, by an Investigator. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
- 7) The identity of the Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 8) Subjects:
 - i) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
 - ii) Subjects shall have a duty to co-operate with the Ethics Counselor/ Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self- incrimination protections available under the applicable laws.
 - iii) Subjects have a right to consult any person or persons of their choice, other than the Ethics Counselor / Chairman of the Audit Committee/ Investigators and/ or members of the Audit Committee and / or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject are not sustainable, then the Company may see reason to reimburse such costs. Such cost may be recovered from the Whistle Blower if the allegations are found to be bogus or false.
 - iv) Subjects have a responsibility not to 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 Subjects.
 - v) Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report.
 - vi) Subjects have a right to be informed of the outcome of the investigation.
- 9) The Ethics Counselor/ Chairman of the Audit Committee / Investigator shall:

- i) Make a detailed written record of the Protected Disclosure. The record will include:
 - a. Facts of the matter
 - b. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c. Whether any Protected Disclosure was raised previously against the same Subject;
 - d. The financial/ otherwise loss which has been incurred /would have been incurred by the Company;
 - e. Findings of Ethics Counselor/ Chairman of the Audit Committee / Investigator;
 - ii) The recommendations of the Ethics Counselor / Chairman of the Audit Committee / Investigator on disciplinary/ other action/ (s).
 - iii) The Investigator shall finalise and submit the report to the Ethics Counselor/ Chairman of the Audit Committee within reasonable time of being nominated/ appointed.
- 10) On submission of report, the Investigator shall discuss the matter with the Ethics Counselor / Chairman of the Audit Committee who shall either:
- i) In case the Protected Disclosure is proved, accept the findings of the Investigator and take such Disciplinary Action as he may think fit and take preventive measures to avoid reoccurrence of the matter;
 - ii) In case the Protected Disclosure is not proved, extinguish the matter;
- 11) Depending upon the seriousness of the matter, Ethics Counselor may refer the matter to the Chairman of the Audit Committee who in turn may refer the matter to Audit Committee for necessary action with its proposal. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.

B. Disclosure & maintenance of Confidentiality

An employee who observes any unethical & improper practices or alleged wrongful conduct in the Company may report the same through e-mail addressed to gulati@lkpsec.com or pratik_doshi@lkpsec.com or by giving letter in writing to the Ethics Counselor / Chairman of the Audit Committee. Confidentiality of whistle blower shall be maintained to the greatest extent possible.

C. Internal policy & Protection under Policy

No unfair treatment will be made to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower.

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, discrimination, any type of harassment, biased behavior or the like including any, direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

D. False Allegation & Legitimate Employment Action

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Ethics Counselor / Chairman of the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of intimation by him and for legitimate reasons or cause under Company rules and policies.

E. Awareness and Communication

The Human Resource department of the Company is required to notify & communicate the existence and contents of this policy to all existing and new employees of the Company in appropriate manner. This policy as amended from time to time shall be intimated to all employees of the Company.

The Policy will also be made available on the Website of the Company.

F. Reporting

The Ethics Counselor shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him since the last report together with the results of investigations, if any.

G. Annual Affirmation

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to Whistle Blower from adverse personnel action.

The affirmation shall form part of Corporate Governance Report as attached to the Annual Report of the Company.

H. Amendment

The Board of Directors of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.