

## **WHISTLE BLOWER POLICY**

### **Introduction:**

A whistle blower may be an employee, former employee or member of an organization, a government agency, who has willingness to take corrective action on the misconduct.

As per Sec.177 of the Companies Act,2013, certain companies have to establish Whistle-blowing mechanism to report any unethical behavior or other concerns to the management.

The provisions mentioned do not apply to Pegasus Assets Reconstruction Pvt. Ltd. (Company), since we are not listed company and due to other exemptions, However, the Company has set up and adopted the following Vigil Mechanism which lays down the principles and standards governing the management of grievances and concerns of Employees and Directors of the Company. The mechanism shall be overseen by the Audit Committee (hereinafter referred to as Committee) of the Company to report their genuine concerns or grievances about the actual and potential violation of the principles and standards laid down herein.

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 behavior. Any actual or potential violation of these standards, however insignificant or perceived as such would be a matter of serious concern for the Company. The role of the Directors, Employees in pointing out such violations of these standards cannot be undermined.

### **Definition**

"Audit Committee" means a committee of Board of Directors of the Company constituted as such.

"Company" means 'Pegasus Assets Reconstruction Pvt. Ltd.

"Director" means a director on the Board of Directors of the Company

"Disciplinary Action" means any action that can be taken on the completion of/during the investigation proceedings including but not limited to a warning, imposition of fine,

suspension from official duties, termination of employment or any such action as is deemed to be fit considering the gravity of the matter.

“Employee means” an employee on the rolls of the company and appointed as such.

“Fraud” in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of the company or its shareholders or its creditors or any other person , whether or not there is any wrongful gain or wrongful loss.

“Investigator” means those persons authorized, appointed, consulted or approached by the Nominated Director and includes the auditors of the Company

“Nominated Director” means a Director nominated by the Board of Directors for the purpose of addressing the complaints/Protected Disclosures under this policy.

“Policy” means the Whistle Blower Policy

“Protected Disclosures” means a concern raised by an Employee/s or a Director of the Company, through a written communication and made in good faith which discloses or demonstrates verifiable information about an unethical or improper activity with respect to the company. It 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.

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

“Whistleblower” means an employee or a Director making a Protected Disclosure under this Policy

## **APPLICABILITY**

This policy is applicable to Employees and Directors of the Company

## **POLICY OBJECTIVES**

The Mechanism aims to provide a channel to the Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or Policy adopted by the company from time to time.

The mechanism provides for adequate safeguards against victimization of Directors and Employees and also provide for direct access in certain cases to the Committee at the specific request of the Committee.

Subject to the provisions of this Policy, this 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.

## **SCOPE**

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

Abuse of authority

Breach of contract

Manipulation of company data/records

Financial irregularities, including Fraud or suspected fraud or deficiencies in internal control and checks or deliberate error in preparations of financial statements or misrepresentation of financial reports

Pilferage of confidential proprietary information

Deliberate violation of law/regulation

Breach of company policies or failure to implement or comply with any approved company policy

## **PROCEDURE**

All protected disclosures concerning financial/accounting matters should be addressed to the Nominated Director who will act as vigilance in charge

The contact details of the Nominated Director is as under:

Mr. V. K. Chopra - Chairman of Audit Committee

Address - 4-A, Harmony Tower, Dr. E Moses Road. Worli. Mumbai 400018

Email id – chopra\_vk@hotmail.com

Protected disclosures should be reported in writing so as to ensure a clear understanding of the issues raised. The Employee or Director who is making the complaint must put his name, contact details and full identification with the allegations.

Protected Disclosures should be submitted under a covering letter signed by the complainant giving his full details like name, contact details and full identification information in a closed and secured envelope and should be super subscribed as “**Protected Disclosures**” or sent through email with the subject “**Protected Disclosures**”.

Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain 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.

Anonymous/Pseudonymous disclosure shall not be entertained.

The Nominated Director on the receipt of above protected disclosures shall make a record of the disclosure and also ascertain from the whistleblower whether he was the person who made the disclosure or not.

The Nominated Director and Investigator shall maintain confidentiality on the identity of the whistleblower.

### **INVESTIGATION**

All Protected Disclosures reported under the policy will be thoroughly investigated by the Nominated Director or the investigators so appointed under the authorization of the Nominated Director.

Investigators are required to conduct a process towards fact findings and analysis. Investigators shall derive their authority from the Nominated Director when acting within the course and scope for their investigation.

If the Nominated Director or Investigator involved in the investigation have a conflict of interest in a given case, they should recuse themselves and the other member of the Committee would deal with the matter on hand.

The Nominated Director or Investigator as it deems fit, may call for further information from the whistleblower.

The Nominated Director himself or with the help of Investigator shall carry out investigation if the reported disclosure is found to be correct.

The identity of the Subject will be kept confidential to the extent possible.

Subject will normally be informed of the allegations and have opportunities for providing their inputs during the investigations.

The Nominated Director/Investigator shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Committee as soon as practically possible and in any case not later than 60 days from the date of receipt of the Protected Disclosure. Committee may allow additional time for submission of the report based on the circumstances of the case.

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

The Nominated Director will ensure action on the recommendations of the members of the Committee and keep the whistleblower informed of the same.

### **CONFIDENTIALITY**

The Whistleblower, Vigilance Officer, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under the Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

## **PROTECTION**

No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants shall be provided. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

## **DISQUALIFICATIONS**

While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this policy 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 whistleblower knowing it to be false or bogus or with a mala fide intention.

Whistleblowers who make three or more Protected Disclosures, which have been subsequently found to be either malafide or baseless or frivolous or malicious or otherwise not in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such whistleblowers, the company would reserve its right to take/recommend appropriate disciplinary action.

## **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. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to the Employees and Directors in writing.