

WHISTLE-BLOWER & VIGIL MECHANISM

1. PREAMBLE:

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.

The Company is committed to developing a culture where it is safe for all stakeholders including directors and employees and their representative bodies to raise concerns about any poor or unacceptable practice and any event of misconduct.

The policy neither releases directors and employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

A policy to act as Vigil Mechanism pursuant to section 177(9) of the Companies Act, 2013 and Whistle-Blower Mechanism pursuant to Regulation 4(2)(d)(iv) and 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. PURPOSE:

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects stakeholders including directors and employees and their representative bodies wishing to raise a concern about serious irregularities within the Company.

3. DEFINITIONS:

"This Mechanism" or "Mechanism" refers to the "Whistle-Blower & Vigil Mechanism."

"Whistle-Blower" (WB) means a person making a Disclosure under this mechanism.

"Company" refers to International Securities Limited.

"Employee" or "Employees" means Person(s) in the employment of the Company.

"Director" or "Directors" mean a person who is appointed as Director of the Company pursuant to the provisions of the Companies Act, 1956 / 2013 or any modifications or re-enactment thereof and SEBI rules & regulations as may be applicable from time to time.

"Disclosure" means a concern raise whether orally or in writing made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

"Target" means a person against or in relation to whom a Disclosure is made or evidence gathered during the course of an investigation.

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

"Whistle Officer" or "Committee" means an officer or Committee of persons who is nominated/ appointed to conduct detailed investigation.

“Ombudsperson” means a person who is so appointed / nominated for the purpose of receiving all disclosures under this Policy. The Audit Committee shall appoint this Ombudsperson in consultation with the Board of the Company.

“Audit Committee” means a Committee constituted pursuant to section 177 of the Companies Act, 2013 & rules made there under and regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment or re-enactment thereof from time to time).

The **“Board of Directors” or “Board”** means the duly constituted Board of the Company under the provisions of the Companies Act, 1956 / 2013 or any modifications or reenactment thereof and SEBI rules & regulations as may be applicable from time to time.

“Regulations” means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. APPLICABILITY:

This policy applies to all stakeholders including directors and employees and their representative bodies (whether working in India or abroad) of the Company.

5. SCOPE OF POLICY:

Every director and employee of the Company is expected to promptly report to the management any actual or possible violation of the Company’s Code of Conduct or any other unlawful or unethical or improper practice or act or activity concerning the Company.

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

- A violation of any law
- Misuse or misappropriation of the Company’s assets
- Gross waste of or misuse or misappropriation of the Company’s funds
- An abuse of authority
- Breach of contract
- Manipulation of company data/records
- Financial irregularities, including fraud, or suspected fraud
- Criminal offence
- Leakage of confidential/propriety information
- Breach of Company’s Code of Conduct or Rules

6. SAFEGUARDS AND PROTECTION:

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- Ensure that the WB making the Disclosure is not victimized for doing so;
- Treat victimization as a serious matter including initiating disciplinary action on such person/(s);

- Whistle-Blower Policy Ensure complete confidentiality;
- Not attempt to conceal evidence of the Disclosure;
- Take disciplinary action, if any one destroys or conceals evidence of the Disclosure made/to be made;
- Provide an opportunity of being heard to the persons involved especially to the Target;

7. DISQUALIFICATIONS:

While it will be ensured that genuine WB 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 WB knowing it to be false or bogus or with a mala fide intention.

WB, who makes any Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted under Company's Code of Conduct.

8. PROCEDURES FOR MAKING A DISCLOSURE:

Directors / Employees can make Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.

Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.

If initial enquiries by the Ombudsperson 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 is documented.

Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. 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.

Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.

The Ombudsperson/Whistle Officer/Committee shall:

- i) Make a detailed written Report of the Disclosure. The Report will include:
 - a) Facts of the matter
 - b) Whether the same Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether any Disclosure was raised previously against the same Target;
 - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e) Findings of Ombudsperson/Whistle Officer/Committee;

The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/other action/(s).

ii) The Whistle Officer/Committee shall submit the report to the Ombudsperson within 15 days of being nominated/ appointed.

On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson and the Ombudsperson shall submit its final Report to the Audit Committee of the Company with further course of action who shall either:

i) In case the Disclosure is proved against any employee or employees, accept the findings of the Ombudsperson/Whistle Officer/Committee and take such Disciplinary Action as it may think fit and take preventive measures to avoid reoccurrence of the matter.

ii) In case the Disclosure is proved against any Director or Directors then the Report shall be forwarded to the Board for such Disciplinary Action as it may think fit and take preventive measures to avoid reoccurrence of the matter.

iii) In case the Disclosure is not proved, close the matter;

iv) If any of the members of the Audit Committee / Board are interested in a given case, they should recuse themselves and the others on the committee / board would deal with the matter on hand.

In exceptional cases, where the WB is not satisfied with the outcome of the investigation and the decisions, he can make a direct appeal to the Chairperson of the Audit Committee who shall take such action as it may deem fit.

The decision of the Audit Committee / Board as the case may be, shall be final and binding on the WB and the Target.

9. SECRECY/CONFIDENTIALITY:

The Whistle Blower, the Target, the Whistle Officer and everyone involved in the process shall:

- a) maintain complete confidentiality/ secrecy of the matter
- b) not discuss the matter in any informal/social gatherings/ meetings
- c) discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d) not keep the papers unattended anywhere at any time
- e) keep the electronic mails/files under password If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

10. REASONABLE OPPORTUNITY:

The WB/Target shall be given reasonable opportunity of being heard in his/her defence by the Audit Committee / Board before any disciplinary action as the case may be.

11. INFORMATION:

Subject to legal constraints, the WB will be updated about the investigations and will receive information about the outcome of any course of action against the Target.

12. REPORTING:

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the meetings of Audit Committee and the Board.

13. AMENDMENT:

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