

# **HDFC Securities Limited**

\*

## **WHISTLE BLOWER POLICY**

**VERSION 1.04**

## Table of Contents

Sr. No	Particulars	Pg. No
1	Policy Statement	3
2	Objective	3
3	Scope	4
4	Eligibility	4
5	Exclusion	4
6	Whistle Blower Committee	4
7	Definitions	4
8	Procedure for lodging / receiving Protected Disclosures under the Policy	6
9	Whistleblower's Role, Rights & Responsibility	7
10	Powers of the Whistle Blower Committee	8
11	Protection available to the Whistle Blower	8
12	Secrecy / Confidentiality	9
13	Table of Changes suggested in the Current version for ACB of 14-Jul-2025	10
14	Table of Changes suggested in the Current version for ACB of 12-Jul-2024	11
15	Table of Changes suggested in the Current version for ACB of 14-Apr-2023	14

## 1. Policy Statement

- 1.1 HDFC Securities Ltd. ("HSL" or "the company") is committed to the highest standard of personal, ethical and legal behaviour for achieving business objectives and believes in conducting business with highest standard of professionalism, honesty, integrity and ethical behaviour.
- 1.2 Adhering to ethical and legal standards is the responsibility of every employee. Accordingly, it is essential for each employee to exhibit a responsible and ethical business behaviour in all transaction/ engagement either with internal or external customers. In this context, HSL encourages and supports employees making disclosures of any such suspected instances of unethical/improper/ mala fide behaviour or act and intends to provide mechanism by way of "Whistleblower Policy" to channelize reporting of such instances/ complaints to ensure proper governance.
- 1.3 As per the provisions of Clause 18I of Chapter IVA of SEBI (Stock Broker) Amendment Regulation, Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meeting of Board and Its Powers) Rules, 2014, HSL has established a vigil mechanism for all employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or terms of service.
- 1.4 This policy, hereinafter referred to as the "Whistleblower Policy" shall be based on applicable law. The review of the policy shall be made once a year and be amended from time to time to realign with the changing business environment and guidelines issued by the statute.

## 2. Objective

The objective of the policy is to:

- 2.1.1 Define unethical / improper/ mala fide behaviour through sustained best practices and maintain the highest standards of ethics, morals and integrity.
- 2.1.2 Encourage employees to report concerns about suspected fraudulent, unfair or unethical practices, violation of regulatory or legal requirements or governance vulnerability, improper / mala fide behaviour by assuring confidentiality and protection against personal vindictive actions such as humiliation and harassment from accused erring employees.
- 2.1.3 Take action against erring employees by quickly spotting the aberrations concerning illegal or unethical practices or violations of code of conduct.

### 3. Scope

3.1 The policy is applicable to all employees either permanent or temporary or employed through contractor. The policy will also be applicable to probationer, trainee and apprentice. The scope of policy also covers Directors of the company and may be extended to ex-employees as well. The scope shall be extended to the customers of the company, government employees and the company vendors.

### 4. Eligibility

Various stakeholders of HSL are eligible to make a complaint under the policy. These stakeholders may fall into any of the following broad categories:

- 4.1 Employee
- 4.2 The general public or any NGO
- 4.3 Employees of other agencies deployed for HSL's activities, whether working from HSL's premises or any other location
- 4.4 Contractors, Vendors, Suppliers, or agencies (or any of their employees)
- 4.5 Customers
- 4.6 Shareholders
- 4.7 Any other person having an association with HSL
- 4.8 Spouses of employees

### 5. Exclusion

Cases pertaining to sexual harassment and employee grievances shall be excluded from the scope of Whistleblower Policy. These are dealt with separate policies.

### 6. Whistle Blower Committee

6.1 The Committee consists of

- 6.1.1 Chief Human Resources Officer (CHRO)
- 6.1.2 Head Legal
- 6.1.3 Head Internal Audit

**Chief Compliance Officer Murli Karkera** has been appointed as **Whistle Blower Redressal Head**, who shall be responsible for reviewing the complaints and working under the guidance and instruction of Whistle Blower Committee.

The Committee shall submit its report periodically, once in every quarter to the Audit Committee.

### 7. Definitions

7.1 **Whistleblower:** Any person who expresses concern or makes a "Protected disclosure" or has lodged a complaint under this policy.

7.2 **Protected Disclosure:** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence suspected fraudulent, unfair or unethical practices, violation of regulatory or legal requirements or governance vulnerability, improper/mala fide behaviour or improper activity detrimental to the company. Protected Disclosures should be factual and not speculative or false allegations or in the nature of an interpretation/conclusion and should contain as much specific information as possible.

7.3 **Disciplinary Action:** Any action that can be taken on the completion of / during the investigation proceedings, including but not limited to, a warning, recovery of financial losses incurred by HSL, suspension/dismissal from the services of the Company or any such action as is deemed to be fit considering the gravity of the matter.

7.4 **Unethical/improper/mala fide act:** For the purpose of this policy Unethical/improper/mala fide act(s) means and includes suspected or alleged illegal, false, misleading, dishonest, deceptive, unethical, corrupt, unconscionable conduct or an activity which would be against the interest of the Company or Society as a whole.

7.5 The list given below is only an illustrative list of activities and not an exhaustive one, which may fall within the scope of this policy.

7.5.1 Executing un-authorized trades in clients trading a/c.

7.5.2 Indulging in communication of price sensitive information or spreading rumour.

7.5.3 Any misappropriation concerning payments to vendors, bills etc.

7.5.4 Inflating expenses or claims.

7.5.5 Any act of financial malpractice or personal profiteering.

7.5.6 Any intentional act which will put the company into financial loss

7.5.7 Possible irregularities or financial reporting issues.

7.5.8 Fraudulent or corrupt practices, including the offering or accepting of bribes or gaining undue advantage from a relationship with the company.

7.5.9 Breach of company policy or doing any act or deed which is ultra – vires the policy and procedures of the Company for pecuniary gains.

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

7.5.11 Any act against the policy or code of conduct of the Company.

7.5.12 Knowingly breaching any law or regulation.

7.5.13 Any unlawful act, forgery or act actionable under the Civil or Criminal laws of India.

7.5.14 Abuse / misuse of power for any unauthorized or ulterior purpose, including harassment.

7.5.15 Any act which may be hazardous or may cause safety risk in office premises.

7.5.16 Dangerous practice(s) likely to cause physical harm/damage to any person or Company's property.

7.5.17 Failure to rectify or take reasonable steps to report a matter likely to give rise to significant and avoidable cost or loss to the company.

7.5.18 Any activity involving damage to the environment while on duty.

7.5.19 Any act that can be construed as fraud

## **8. Procedure for lodging / receiving Protected Disclosures under the Policy**

- 8.1 Any person sighting any of the defined adverse activities shall report in good faith as soon as possible.
- 8.2 All Protected Disclosures against the Board of Directors including those against the Managing Director & Chief Executive Officer, key managerial personnel, Designated Directors or Promoter shall be addressed to the Chairman of the Audit Committee on email ID [Samir.Bhatia\\_ext@hdfcsec.com](mailto:Samir.Bhatia_ext@hdfcsec.com) and all other protected disclosures shall be addressed to the Whistle Blower Committee and or Chief Compliance Officer on email IDs [whistleblower@hdfcsec.com](mailto:whistleblower@hdfcsec.com) and or [complianceofficerwb@hdfcsec.com](mailto:complianceofficerwb@hdfcsec.com).
- 8.3 Whistle Blowers may also make Protected Disclosures by a letter in a closed / sealed envelope addressed to:

**Chairman – Audit Committee or Whistle Blower Committee and or Chief Compliance Officer  
HDFC Securities Limited**  
I Think Techno Campus Building – B,  
"Alpha", 8<sup>th</sup> Floor  
Opp. Crompton Greaves,  
Near Kanjurmarg Station,  
Kanjurmarg East,  
Mumbai – 400042

The envelope should be super scribed "**Protected Disclosure under Whistle Blower Policy**".

- 8.4 The Protected Disclosure should be in writing and should contain details of the person making such protected disclosure. He / she should give his / her name (employee code in case of an employee) and address with pin code, phone number and / or e-mail ID, if any, prominently at the beginning or at the end of the Protected Disclosure.
- 8.5 The whistleblower employee person shall, together with the intimation about the said adverse activities, furnish all the documents and information, which may substantiate his suspicion. The Company does not expect the complaining employee to prove the concern voiced by him so far as the said employee is raising the concern in good faith and in bona fide interest of the Company.
- 8.6 The matter referred in the complaints, if it falls under the category of POSH (Prevention of Sexual Harassment at Workplace), then the complaint will be dealt under POSH policy. This will be solely decided by the members of the Whistleblower committee jointly or severally.

- 8.7 The matter will be investigated by the investigating officer(s) nominated by and/or by the Committee or any other competent authority of the company within 15 days of receipt of complaint. The findings of the investigations shall be scrutinized by WB Committee members and accordingly the final verdict be handed over to the concerned Dept Head and/or HR Ops team for fulfilment.
- 8.8 In case the complaint is on about any of the WB Committee members or senior officials of the Company then the Audit Committee of the Board (ACB) should be informed and the direction from ACB should be obtained before proceeding on the investigation or probing into the matter. The investigation report has to be submitted to the ACB for their approval to the recommended punitive action or modification thereof.
- 8.9 The company assures that anonymity of the whistleblower will be maintained. HSL will not disclose the identity of the whistleblower without his/her consent in writing. However, the provisions of this clause shall not be applicable where any information about the concern raised by the complaining employee is required to be disclosed in any judicial process in accordance with the applicable laws.
- 8.10 It is expected that the whistleblower co-operates with the investigating officer(s) during the course of investigation.
- 8.11 If there is conflict of interest in investigation or verdict, such person will disclose the interest and shall not participate in grievance redressal or in verdict.

## **9. Whistleblower's Role, Rights & Responsibility**

- 9.1 The whistleblower must reveal his/her complete identity along with his/her contact details.
- 9.2 Any anonymous/pseudonymous complaints shall not be investigated upon nor looked into.
- 9.3 The whistleblower will report the misconduct with reliable information & reasonable evidence.
- 9.4 The whistleblower is advised not to act on his/her own in conducting any investigation.
- 9.5 The whistleblower will not file a complaint for personal gain. Intentional filing of false complaint will be considered improper and, if it is found so at a later period then the company's DAC will have all rights to act in the falsified complaints.
- 9.6 The whistleblower will not try to obtain any evidence for which they do not have a right of access. Indulging in such activity shall be liable for appropriate penal action.
- 9.7 This policy may not be used as a protection by any employee against whom a disciplinary action has been taken or is already in process under the company's rules and policies, including failure of achievement of targets set.

## 10. Powers of the Whistle Blower Committee

- 10.1 The disciplinary or corrective action would be decided by the Committee as per their discretion. This may include, but will not be restricted to:
  1. Suspension of services of respondent for a period deemed fit by the Committee.
  2. Recovery of any financial loss or any penalty suffered by HSL.
  3. Withholding of any promotion granted or demotion.
  4. Deferment or variation in the salary increment awarded.
  5. Issuance of Warning letters.
  6. Initiation of Criminal proceedings as per Indian Penal Code including filing of FIR with police as per the directives from Managing Director.
  7. Severance of services.
- 10.2 All corrective procedures and punitive actions shall be intimated in writing by WB committee members to HR Ops team for the fulfilment. While deciding on the case the Committee shall always keep a reference to the Code of Conduct Policy of the Company
- 10.3 The Committee through its member, i.e. the Chief Human Resources Officer will maintain a record of all Protected Disclosures under this Policy, noting the serial number of the Protected Disclosure, date of receipt of Protected Disclosure, brief contents/ allegations made in the Protected Disclosure, investigation reports and any disciplinary action taken. The records shall be preserved for a period of 5 years.

## 11. Protection available to the Whistle Blower

- 11.1 Whistle Blowers shall be protected against any unfair practice like retaliation, threat, intimidation, unlawful termination/suspension of service, disciplinary action, transfer, demotion, 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, as a policy, condemns any such action or practice.
- 11.2 If the Whistle Blower believes that he/she is victimized or has suffered adverse or unfair treatment or retaliation due to him/ her making of the Protected Disclosure, he/she may file an application before the Audit Committee seeking redressal in the matter. Audit Committee will take such action, as deemed fit including, without limitation, any measures required to prevent/ reverse initiation of any adverse action against the Whistle Blower.
- 11.3 The Audit Committee shall also have powers to look into and take necessary steps/ actions in respect of any complaints received from the Whistle Blower about any harassment/victimization etc., such action may include involuntary demotion/resignation/retirement, disciplinary action, termination of employment,

rejection of confirmation (in case of probation), etc. subsequent to his/her disclosing the concern to the Investigation Officers.

## **12. Secrecy/Confidentiality**

- 12.1 The Whistleblower, the person accused, the investigating officer(s), witnesses (if any) and everyone involved in the process shall:
  1. Maintain complete confidentiality / secrecy of the matter under this Policy.
  2. Not discuss the matters under this Policy in any informal/social gatherings/meetings.
  3. Discuss only to the extent or with the persons required for the purpose of completing the process and investigations as directed by Whistle Blower Committee.
- 12.2 If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit by the Whistle Blower Committee

Table of Changes suggested in the Current version for ACB of 14-July-2025

<b>Sr</b>	<b>Original Version 1.03</b>	<b>Changes made in Version 1.04</b>
1	<p>6.1.1 CHRO  6.1.2 Chief Compliance Officer  6.1.3 Head Legal  6.1.4 Head Internal Audit</p> <p>The Committee shall submit its report periodically, once in a quarter to Chairman of Audit Committee.</p>	<p>6.1.1 Chief Human Resources Officer (CHRO)  6.1.2 Head Legal  6.1.3 Head Internal Audit</p> <p>Chief Compliance Officer Murli Karkera has been appointed as Whistle Blower Redressal Head, who shall be responsible for reviewing the complaints and working under the guidance and instruction of Whistle Blower Committee.</p> <p>The Committee shall submit its report periodically, once in every quarter to the Audit Committee.</p>

Table of Changes suggested in the Current version for ACB of 12-July-2024

<b>Sr.</b>	<b>Original Version 1.02</b>	<b>Changes made in Version 1.03</b>
1.1	As per the provisions of the Companies Act, 2013 read with Rule 7 of Companies (Meeting of Board and Its Powers) Rules, 2014, HSL has established a vigil mechanism for all employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or terms of service.	As per the provisions of Clause 18I of Chapter IVA of SEBI (Stock Broker) Amendment Regulation, Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meeting of Board and Its Powers) Rules, 2014, HSL has established a vigil mechanism for all employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or terms of service.
2.1.2	Encourage employees to report improper / mala fide behaviour by assuring confidentiality and protection against personal vindictive actions such as humiliation and harassment from accused erring employees.	Encourage employees to report concerns about suspected fraudulent, unfair or unethical practices, violation of regulatory or legal requirements or governance vulnerability, improper / mala fide behaviour by assuring confidentiality and protection against personal vindictive actions such as humiliation and harassment from accused erring employees.
6.1	<p>6.1.1. Legal Officer  6.1.2. Compliance Officer  6.1.3. Head – Admin  6.1.4. Head – HR shall be the appellate as first level for any appeal.  6.1.5. Whole Time Director shall be appellate as Second level of appeal.</p> <p>The Committee shall submit its report periodically, once in a quarter to Chairman of Audit Committee.</p>	<p>6.1.1 CHRO  6.1.2 Chief Compliance Officer  6.1.3 Head Legal  6.1.4 Head Internal Audit</p> <p>The Committee shall submit its report periodically, once in a quarter to Chairman of Audit Committee.</p>
7.1	Protected Disclosure: means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence suspected fraudulent, unfair or unethical practices, violation of regulatory or legal requirements or governance vulnerability, improper / mala fide	Protected Disclosure: means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence suspected fraudulent, unfair or unethical practices, violation of regulatory or legal requirements or governance vulnerability, improper / mala fide

	<p>activity detrimental to the company. Protected Disclosures should be factual and not speculative or false allegations or in the nature of an interpretation/conclusion, and should contain as much specific information as possible.</p>	<p>behaviour or improper activity detrimental to the company. Protected Disclosures should be factual and not speculative or false allegations or in the nature of an interpretation/conclusion, and should contain as much specific information as possible.</p>
2	<p><b>Procedure for Lodging / Receiving Protected Disclosures under the Policy</b></p>	<p><b>Added / modified paras 8.2, 8.3, 8.4, 8.5.</b></p> <p>8.2 All Protected Disclosures against the Board of Directors including those against the Managing Director &amp; Chief Executive Officer, key managerial personnel, Designated Directors or Promoter shall be addressed to the Chairman of the Audit Committee on email ID <a href="mailto:Samir.Bhatia_ext@hdfcsec.com">Samir.Bhatia_ext@hdfcsec.com</a> and all other protected disclosures shall be addressed to the Whistle Blower Committee and or Chief Compliance Officer on email IDs <a href="mailto:whistleblower@hdfcsec.com">whistleblower@hdfcsec.com</a> and or <a href="mailto:complianceofficerwb@hdfcsec.com">complianceofficerwb@hdfcsec.com</a>.</p> <p>8.3 The Protected Disclosure should be in writing and should contain details of the person making such protected disclosure. He / she should give his / her name (employee code in case of an employee) and address with pin code, phone number and / or e-mail ID, if any, prominently at the beginning or at the end of the Protected Disclosure.</p> <p>8.4 Whistle Blowers may make Protected Disclosures through any of the following modes:</p> <p>a) By letter in a closed / sealed envelope addressed to:</p> <p><b>Chairman – Audit Committee or Whistle Blower Committee and or Chief Compliance Officer</b>  <b>HDFC Securities Limited</b>  I Think Techno Campus Building – B,  "Alpha", 8<sup>th</sup> Floor  Opp. Crompton Greaves,  Near Kanjurmarg Station,  Kanjurmarg East,  Mumbai – 400042</p>

		<p>The envelope should be super scribed "<b>Protected Disclosure under Whistle Blower Policy</b>".</p> <p>(a) by way of an email addressed <u>as</u> specified herein above (8.2).</p>
4	<b>Clause 8.6</b>  The matter will be investigated by the investigating officer(s) nominated by the Committee or any other competent authority of the company. The findings of the investigations shall be shared with the whistleblower within 60 calendar days of making the protected disclosure	Clause 8.8  The matter will be investigated by the investigating officer(s) nominated by and / or by the Committee or any other competent authority of the company within 15 days of receipt of complaint. The findings of the investigations shall be scrutinized by WB Committee members and accordingly final verdict be handed over to the concerned Dept Head and/or HR Ops team for fulfilment.
	<b>Powers of the Whistle Blower Committee</b>	<p>New paras added</p> <p>10.2 All corrective procedures and punitive actions shall be intimated in writing by WB committee members to HR Ops team for the fulfilment. While deciding on the case the Committee shall always keep a reference to the Code of Conduct Policy of the Company</p>
4		<p>Introduced new para</p> <p>10.3 The Committee through its member, i.e., the Chief Human Resources Officer will maintain a record of all Protected Disclosures under this Policy, noting the serial number of the Protected Disclosure, date of receipt of Protected Disclosure, brief contents/ allegations made in the Protected Disclosure, investigation reports and any disciplinary action taken. The records shall be preserved for a period of 5 years.</p>
	<b>New Section on Protection available to the Whistle Blower</b>	11.1, 11.2, 11.3

Table of Changes suggested in the Current version for ACB of 14-Apr-2023

<b>Sr</b>	<b>Original Version 1.01</b>	<b>Changes made in Version 1.02</b>
1	<p>The Committee consists of</p> <ul style="list-style-type: none"> <li>· · Managing Director</li> <li>· · Head – HR</li> <li>· · Head – Risk and Compliance</li> <li>· · Head Legal and Company secretary</li> </ul>	<p>The Committee consists of</p> <ol style="list-style-type: none"> <li>1. Legal Officer</li> <li>2. Compliance Officer</li> <li>3. Head - Admin</li> </ol> <p>Head – HR shall be the first level for any appeal</p> <p>Whole Time Director shall be appellate / Second level of appeal</p>
2		<p>A complaint also can be served in a sealed envelope addressed to "WhistleBlower Committee" by superscripting the envelope with " Whistleblower Complaint" at Corporate Office address</p> <p>HDFC Securities Limited A 1602, Peninsula Business Park Senapati Bapat Marg, Lower Parel, Mumbai – 400 013</p>