HEDGE FINANCE LIMITED

WHISTLE BLOWER POLICY

Introduction

The **Whistle Blower Policy** (hereafter referred to as the "Policy") is designed to provide a formal and transparent mechanism for employees, directors, customers, and any other stakeholders to report concerns regarding unethical, unlawful, or improper conduct in the Company**.** The Company encourages individuals to report any form of misconduct without fear of retaliation or discrimination. Any actual or potential violation of the policy, however insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the policy cannot be undermined.

Scope & coverage

a) Encourage the reporting of unethical conduct or actions that threaten the company's reputation, financial stability, and ethical values.
b) Protection available to the person making such disclosure in good faith.
c) Ensure transparency, accountability, and ethical decision-making within the organization.
d) Relevant authority and its powers to review disclosures and direct corrective action relating to such disclosures.

.Objective

The Company seeks to maintain the highest ethical and business standards in the course of conduct of its business by promoting transparency and ethical conduct in all spheres of business operations/activity. The Whistle blower policy seeks to provide a mechanism for its staff, vendors or customers to disclose any unethical and/or improper practice(s) taking place in the Company, for appropriate action and reporting. Through this policy, the Company provides the necessary safeguards to all Whistle Blowers for making disclosures in good faith.

Definitions

The definitions of some of the key terms used in this policy are given below:

(a) "Whistle Blower" means any Employee, Customer or Vendor or any other stake holder of the Company, making a Disclosure under this policy.

(b) "Disclosure" means any written communication in relation to an unethical practice (including anonymous disclosures, by any means) made in good faith by the Whistle Blower to the designated authority under this policy.

(c) "Subject" means a person against or in relation to whom a Disclosure is made under this policy.

(d) "Unethical practice" means and includes, but not limited to, the following suspected activities/ improper practices being followed in the Company:

i. Manipulation of Company data / records.
ii. Abuse of authority at any defined level in the Company.
iii. Disclosure of confidential / proprietary information to unauthorized persons.
iv. Any violation of applicable laws and regulations to the Company, thereby exposing the Company to penalties/ fines.
v. Any instances of misappropriation of Company assets.
vi. Activity violating any laid down Company policy, including the Code of Conduct.
vii. Indulging in corrupt practices, misappropriation, fraudulent conversion and the like, breaching/ subverting the rules, procedures for personal gain, committed singly or in concert.
viii. Gender related misconduct, harassment of any kind including physical, mental abuses and sexual harassment. For complaints in respect of sexual harassment against women, a Committee headed by a lady shall look into the same as required under the regulations.
ix. Malicious acts, slander, libel and such acts as may cause injury to the reputation or business interests of the Company.
x. Any other activities whether unethical or improper in nature and injurious to the interests of the Company

Applicability

This policy is applicable to the following:

(a) All employees of the Company.

(b) All Directors of the Company.

(c) All customers of the Company.

(d) All stakeholders including vendors of the Company.

Procedure for Reporting

Any Employee, Vendor or Customer of the Company may make a Disclosure, duly addressed to the Company Secretary. His contact details are:

Mr. Girish Kumar G
Company Secretary, Hedge Finance Ltd.,
Registered Office: "Hedge House" Mamangalam, Kochi 682 025, Ernakulam, Kerala

The disclosure can be e-mailed to girish.kg@hedgegroup.in or through a letter addressed to the reporting authority. Where anonymity is insisted, the informer may state so.

While making the disclosure, the whistle blower should take into consideration the applicable rules articulated under this policy viz:

(a) It is strongly advised that the Whistle Blower discloses his/ her identity in a covering letter for ensuring timely resolution of the issue and also for ensuring that adequate protection is granted to him/ her under the relevant provisions of this policy.

(b) The Whistle Blower must address the following issues, while reporting any Disclosures under this policy:

i. The Disclosures made should bring out a clear understanding of the issue being raised.

ii. The Disclosures made should not be merely speculative in nature but should be true and based on actual facts.

iii. The Disclosure made should not be in the nature of a conjecture and should contain as much specific information as possible to allow for proper conduct of the inquiry/ investigation.

iv. The disclosure made must be bona fide and disclosures with malafide intent will be rejected.

v. The whistleblower having made a disclosure shall not prevaricate there from under pressure or otherwise and such acts shall be construed as infidelity.

Investigation

Investigations shall be launched only after the review of Disclosure, which establishes that:

a) The Disclosure made, *prima facie* constitutes an unethical/ improper practice, as defined under this policy;

b) The Disclosure made is supported by adequate information to support the investigation or may reasonably be believed to have substance.

c) The Company Secretary has to forward the Complaints to Chief Operating Officer (COO), if conditions (a) & (b) above are satisfied.

d) The COO has to forward the complaint to concerned Investigating officer.

e) Chief Executive Officer (CEO) will be the Investigating Officer and Designated Officer, who shall investigate and present his report to the Company Secretary.

f) Where the complexity of the disclosure so requires, a Panel of Investigators will be entrusted with the Investigations. In such cases, the COO in consultation with Company Secretary and CEO can entrust the investigation to the Panel of Investigators/designated Authority approved for investigation. The COO shall detach the covering letter (wherever available), before forwarding the relevant Disclosure to the Investigator(s), to ensure that the confidentiality of the Whistle Blower is maintained during the inquiry/ investigation process and all through. All Disclosures made by the Employees, Customers, vendors or other stake holders, under this policy shall be recorded and action will be taken in accordance with the recommendation made by the Investigator or Panel of Investigators. The Investigator / Panel of Investigators will submit their report within 7days to CEO/COO. COO will submit the final report to Company Secretary within 10 days. Where justified, a longer time frame shall be allowed. The Company Secretary will present the Disclosure and investigation report to the Audit Committee for suitable action.

The following will govern the investigations: -

a) Any inquiry/ investigation conducted against any Subject shall not be construed by itself as an act of accusation and shall be carried out as a neutral fact finding process, without presumption of any guilt.

b) The inquiry/ investigation shall be conducted in a fair manner and provide an equitable opportunity for hearing to the affected party and a written report of the findings should be prepared for submission to the Company Secretary.

c) The Investigator or the Panel of Investigators shall have right to call for and examine any information / document of the Company, examine other persons as witnesses or otherwise as may be deemed necessary for the purpose of conducting inquiry/ investigation under this policy.

d) All Subjects shall be duly informed about the disclosures of unethical practice(s) made against them at the commencement of the formal inquiry/ investigation process and shall have reasonable opportunities for providing explanations during the course of the inquiry/ investigation process.

e) No Subject shall directly/ indirectly interfere with or detract the investigation process.

f) The Subjects shall not destroy or tamper with any evidence and shall have a duty to co-operate with the inquiry/ investigation process or with any of the Investigators appointed, till the time the inquiry/ investigation process is completed. Anything contrary will be construed as an affirmation of guilt, besides constituting misconduct. If deemed necessary, to ensure (e) & (f), the subject may be transferred to another location or placed under suspension based on gravity of the disclosure.

g) During the course of the inquiry/investigation process, all Subjects shall have a right to consult any person(s) of their choice, other than the Investigators and engage any other employee to represent them in any inquiry/ investigation proceedings.

h) All Subjects shall have a right to be informed about the results of the investigation process and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process.

i) All Subjects shall be given an opportunity to respond to findings of the inquiry/ investigation as contained in an investigation report. No allegation of wrongdoing against any Subject shall be considered as tenable, unless the allegations are duly supported by valid evidence including circumstantial evidence in support of the allegation.

j) Where the results of the inquiry/ investigation highlight that the allegations made against the Subject are eventually dismissed as non-tenable, then the Company shall intimate such details to the Subject. In such cases, the Subject should also be consulted whether a public disclosure of the investigation results would be in their best interest and the necessary disclosures made.

Protection to Whistle Blower

The following shall be ensured to protect the Whistle Blower:

a) The identity of the Whistle Blower, Subject and any other Employee assisting the inquiry/ investigation, shall be kept confidential at all times, except during the course of any legal proceedings, where a Disclosure/ statement is required to be filed. Where disclosure is made on the basis of anonymity, the company shall rely only on the evidence gathered during the investigation process.

b) The Company, as a policy, strongly condemns any kind of discrimination, harassment or any other unfair employment practice being adopted against the Whistle Blowers for disclosures made under this policy. No unfair treatment shall be meted out towards the Whistle Blower by virtue of his/her having reported a Disclosure under this policy and the Company shall ensure that full protection has been granted to him/her against:
    i. Unfair employment practices like retaliation, threat or intimidation of termination/suspension of services, etc.;
    ii. Disciplinary action including transfer, demotion, refusal of promotion, etc.;
    iii. Direct or indirect abuse of authority to obstruct the Whistle Blowers right to continue performance of his duties/functions during routine daily operations, including making further disclosures under this policy.

c) The Whistle Blower may also report any violation of the above clause to the Audit Committee Chairman, who may direct an investigation into the same and recommend suitable action to the management.

Reporting

All instances of disclosures noted as part of this policy, including findings/status of all the inquiries/ investigations made against such disclosures shall be documented and a final report prepared by the Audit Committee and the Board of Directors on a quarterly basis, highlighting the following:

a) The nature of reported disclosures made under this policy for the present quarter and the action proposed / taken thereon.

b) The status of prior and current period reported disclosures and the action taken thereon and reasons for delay on pending cases.

c) Results/status of any investigations/enquiries in reference to the disclosures; and

d) Any other matter.

Disqualification

While it will be ensured that genuine whistle blowers 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 out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a malafide intention.

Whistle Blowers, who make three or more protected disclosures, which have been subsequently found to be malafide, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further protected disclosures under this Policy. In respect of such whistle blowers the Company /Competent authority under this policy would reserve its right to take/recommend appropriate disciplinary action.

Rewards to Whistle Blower:

For significant disclosures, Management at its sole discretion may offer 'Rewards to the Whistle Blower' in the form of monetary awards and or Career path advancement, based on skills and capability. The Company Secretary shall also recommend to the Management of the Company, the necessary actions to be taken, which may include:

(a) Revision of the necessary Company policies and procedures.

(b) Any other action which is deemed fit. Retention of Documents

All Disclosures made by the Whistle Blower or documents obtained during the course of inquiry/ investigation, along with the results of investigation relating thereto, shall be retained by the Company for a minimum period of 7 years under the custody of the Company Secretary. Any anonymous complaints received by the Management, at the discretion of the Management can be looked into and disposed off without any of the above process, as it may deem fit.

WHISTLE BLOWER COMPLAINT ON SEXUAL HARRASMENT

With regard to any Whistle Blower complaint **relating to** sexual harassment the Company will refer it to a Committee to be headed by a lady officer, as per the regulatory requirements and the same will be looked into by this Committee and necessary action as in the case of other Whistle blower complaints will be taken.

Amendments

The Management reserves the right to amend, modify or revise this Policy.

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