

WHISTLE-BLOWER POLICY

1. Background

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 behaviour.

Regulation 4 and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177(9) of Companies Act, 2013, provides for a mandatory requirement for all the listed entities to establish/formulate a vigil mechanism.

‘Vigil Mechanism/Whistle Blower Policy’ provides to enable stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices and to provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism, and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

‘Whistleblowing’ is the confidential disclosure by an individual of any concern encountered in the workplace relating to a perceived wrongdoing.

The Whistle-blower’s role is that of a reporting party with reliable information. Protected Disclosure will be appropriately dealt by Audit Committee, as the case may be.

The terms such as ‘Company’, ‘Audit Committee’ and ‘Board of Directors’ refer to the relevant Company, Committee or Board of the Group Company adopting the policy, unless specified. The definitions of some key terms used in this Policy are mentioned below:

- A. **“Audit Committee”** means the Audit Committee of the Board constituted by the Board of Directors of PFS in accordance with Section 177 of the Companies Act, 2013 and read with Regulation 18 of SEBI (LODR) Regulations, 2015.
- B. **“Employee”** means every employee of the Company, including the whole time Directors of the Company.

- C. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity including leak of unpublished price sensitive information.
- D. **“Whistle-blower”** means Stakeholders including directors, individual employees and their representative bodies making a Protected Disclosure under this Policy.
- E. **“Ombudsperson”** or **“Nodal Officer”** for the purpose of receiving all complaints under this Policy and ensuring appropriate action.
- F. **“Investigators”** mean those persons authorised, appointed, consulted or approached by the competent authority in connection with conducting investigation into Protected Disclosure.

2. Policy Objective

The policy has been framed to enforce controls so as to provide a system of detection, reporting, prevention and appropriate dealing of issues relating to fraud, unethical behaviour etc. The policy aims to ensure that:-

- A. Management is aware of its responsibility for the detection and prevention of fraud, misappropriations, and other inappropriate conduct. The Management is to ensure that procedures and systems exist in the Corporation which minimize the incidence of, and opportunity for fraud and irregularities.
- B. Any fraud / unethical issue that are detected or suspected must be reported immediately to the designated authority for the purpose of co-ordination of preliminary investigation.
- C. To encourage all employees to feel confident in raising concerns and to question and act upon concerns about practice.
- D. To ensure that an employee receives a response to his concerns and that the employee is aware of how to pursue them if he/she is not satisfied.

3. Type of Concerns

- A. Forgery or alteration of any document or account belonging to the Company.
 - B. Sexual or physical abuse
 - C. Wilful suppression of facts/ deception in matters of appointments, placements, tender committee recommendations, entity and project appraisal, submission of reports, etc. as a result of which a wrongful gain(s) is made to one and /or wrongful loss(s) is caused to the others.
 - D. Utilizing Company assets/ funds/ services for personal purposes other than those which have specifically provided for personal purposes.
 - E. Authorizing or receiving payments for goods not supplied or services not rendered.
 - F. Destruction, disposition, removal of records or any other assets of the Corporation with an ulterior motive to manipulate and misrepresent the facts so as to create suspicion/ suppression/ cheating as a result of which objective assessment/ decision would not be arrived at.
 - G. Impropriety in the handling or reporting of money or financial transactions.
 - H. Profiteering as a result of insider knowledge of company activities.
 - I. Disclosing confidential and proprietary information to outside parties.
 - J. Accepting or seeking anything of material value from contractors, vendors, lenders, borrowers and persons providing services/ materials to the company in contravention of Company's Conduct, Discipline and Appeal Rules.
 - K. Conduct which is an offence or a breach of law.
 - L. Other unethical conduct like gross misconduct, general malpractices etc
- **Concerns not covered under this policy:**
 - 1. Personal grievance
 - 2. Dissatisfaction with appraisal and rewards
 - 3. Customer grievance / Service-Related Queries

5. Any other matter which have already been addressed under the harassment, disciplinary or any other company procedures.

The relevant complaint will be referred to the concerned department.

The Nodal Officer will not tolerate any harassment or victimization (including informal pressures) and will take appropriate action.

4. Making a disclosure

1. A protected disclosure shall be in writing, signed by the Whistle-blower and shall bear his name, employee number, designation where applicable and address.
2. Anonymous or pseudonymous disclosures shall not be entertained.
3. The disclosure shall be in a sealed envelope and addressed to the Nodal Officer or by way of an email on the designated email id. If the Whistle Blower believes that there is a conflict of interest between Nodal Officer, he/she may make the disclosure directly to the Chairman, Audit Committee.
4. The Whistle blower should have the knowledge of the facts on which the disclosure is based and should disclose all available information about the existence of improper practice in the Company.
5. The Contact details of the Competent Authority for addressing and sending the Protected Disclosure is as follows:

Nodal Officer

PTC INDIA FINANCIAL SERVICES LIMITED

7th Floor, Telephone Exchange Building, 8, Bhikaji Cama Place,

Rama Krishna Puram, New Delhi, Delhi 110066

Email Id- whistleblower@ptcfinancial.com

Or

In exceptional cases

Chairman, Audit Committee

PTC INDIA FINANCIAL SERVICES LIMITED

PTC INDIA FINANCIAL SERVICES LIMITED

7th Floor, Telephone Exchange Building, 8, Bhikaji Cama Place,

Rama Krishna Puram, New Delhi, Delhi 110066

Email Id- acbwhistleblower@ptcfinancial.com

5. Confidentiality

All concerns will be treated in confidence and every effort will be made not to reveal the Whistle-blower's identity. At the appropriate time, however, the Whistle-blower might need to come forward as a witness.

Please note that:

- A. An employee must believe the disclosure of information is in the interest of the Company / its stakeholders / public.
- B. Staff must not act maliciously or make false allegations.
- C. Staff must not seek any personal gain.
- D. No unfair treatment will be meted out to a Whistleblower 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 Whistleblowers.

6. Voicing Concerns

6.1 This essentially means that boards expect their internal audit functions to identify issues before they become a major problem for the company.

6.2 They expect internal auditors to take appropriate actions to mitigate them and provide assurance that they pose no immediate or serious danger.

6.3 The Ombudsperson / Nodal officer shall be nominated by the Chairman of the Audit Committee. The Company may adopt either of the following two alternatives for addressing the whistle-blower issues:

I. Alternative-1

1. Whistle-blower should give the detailed report/complaint to the Ombudsperson / Nodal officer.
2. Report/Complaint would then be screened by the Nodal officer who would forward the report/complaint to the Chairman of Audit Committee. Report/Complaint would finally be reviewed by the Chairman of Audit Committee.
3. All complaints would be recorded in a register maintained for the purpose regardless of the context it held.
4. Nodal officer would apprise the Audit committee on regular intervals about all the complaints received.
5. If the whistle-blower believes that there is a conflict of interest between the Nodal Officer/Ombudsman and the whistle blower, he/she may send his protected disclosure directly to the Chairman, Audit Committee.
6. The report shall first be forwarded to the Chairman of Audit Committee by the ombudsperson. On submission of report, the Audit Committee Chairman may discuss the matter with Ombudsperson and may direct for further detailed examination of the reported matter through in-house person / team or external consultant – based on merit. Further on advice of the Chairman Audit Committee, the ombudsperson, may refer the matter before the Audit Committee and/ or Board (the option to forward it to Audit Committee or Board shall be suggested by the Audit Committee Chairman) with his / her recommendations. The Audit Committee and/ or the Board shall decide on the matter.

II. Alternative-2

1. A “Whistle Blower Committee” may be constituted consisting of senior officials to conduct an investigation in the matters of protected disclosure received by company.
2. A report shall be prepared after completion of investigation and shall be submitted along with recommendations to the Managing Director for action, after providing reasonable opportunity of being heard to all associated individuals.

3. It is further proposed that the protected disclosures be addressed to the ombudsperson / nodal officer nominated.
4. The protected disclosure against the ombudsperson / nodal officer should be addressed to the Managing Director & CEO of the Company
5. The Protected Disclosure against the Managing Director & CEO should be addressed to the Chairman of the Audit Committee.
6. All complaints would be recorded regardless of the context it held.

6.4 In case the disclosure made by the whistle-blower found to be malafide, frivolous, baseless then the disclosure would not be entertained. Details of the complaints would be recorded & maintained for a term of 5 years or even extended period (for specific complaints) as may be decided by Chairman of Audit Committee.

6.5 Detailed written record of the protected disclosure will include:

- a. findings of Ombudsperson / Nodal officer's;
- b. The recommendations of the Ombudsperson whether disciplinary / other action(s).

Note: PFS has adopted Alternative-1 provided in the policy and Committee constituting of VP-HR, Sr VP (Finance) and Company Secretary be the Nodal Officer.

7. Modification

The Audit Committee shall review the functioning of the Whistle blower mechanism, at least once in a financial year. This Policy can be changed, modified or abrogated by the Board of Directors.

Footnote:

Version 0: Original policy dated 28.01.2014
Version 1: First amendment dated 13.06.2020
Version 2: Second amendment dated 11.10.2023

This Policy has been communicated to all operational employees and other concerned persons of the Company and placed on the website of the Company at www.ptcfinancial.com