

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Bharat Bhushan Finance & Commodity Brokers Limited

PREFACE

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

This policy is formulated to provide employee an avenue to lodge Complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. Further, it provides necessary safeguards for protection of employees from reprisals or victimization.

The Policy has been framed and adopted in compliance of Section 177 of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board & its Powers) Rules, 2014. Further, effective October 1, 2014, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct.

POLICY

In compliance of the above requirements, Paramount Communications Limited (being a Listed Company) has established a Vigil Mechanism/ Whistle Blower Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

APPLICABILITY

The Policy is applicable to:

- a) all Directors of the Company; and
- b) Employees of the Company,

SCOPE

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of the Company’s Code of Conduct;
2. Breach of Business Integrity and Ethics;
3. Breach of terms and conditions of employment and rules thereof;
4. Intentional Financial irregularities, including fraud, or suspected fraud;
5. Deliberate violation of laws/regulations;
6. Willful Negligence causing substantial and specific danger to health, safety and environment;
7. Manipulation of company data/records;
8. Pilferage of confidential information.

DEFINITIONS

1. **Audit Committee** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 read with Clause 49 of Listing Agreement of Stock Exchanges.
2. **Company** means Bharat Bhushan Finance & Commodity Brokers Limited.
3. **Complaint** means any instance of violation of the Code reported by Whistle Blower (as defined hereinafter).
4. **Compliance Officer** means the Company Secretary of the Company.
5. **Offender** means Employee(s) who is the subject of Complaint.
6. **Whistle Blower** means an Employee reporting violation of the Code.
7. **Whistle Blower Policy** and **Vigil Mechanism Policy** shall have the same meaning and may be used interchangeably.

PROCESS FOR INITIATING COMPLAINT

Whistle Blower shall report Complaint, in the manner hereinafter provided.

- Complaint shall be forwarded to the Chairman of the Audit Committee for investigation. The contact details of the Chairman of Audit Committee are available on the website of the Company.
- Whistle Blower shall lodge complaint as soon as possible after the occurrence of the incident either verbally or in writing, and in any case, not later than 30 days from the date of the incident. As far as possible, Complaint should be accompanied by credible and relevant material, details etc. concerning the incident. In case of a verbal complaint, Chairman of the Audit Committee shall cause the complaint to be reduced into writing and signed by the complainant (i.e. Whistle Blower). As far as possible, the identity of the Whistle Blower will be kept confidential. Nevertheless, the Chairman of Audit Committee and/or Investigators if deem fit for the purpose of fair investigation of the Complaint and/or to meet the requirement of law in the said behalf, may disclose the identity of Whistle Blower.
- The Chairman of Audit Committee shall conduct enquiry proceedings in relation to the complaint in such manner as he may deem fit. For this purpose, he may appoint investigator(s), who shall invariably be an Employee of the Company of the level of Senior Management. It may be clearly understood that the Whistle Blower is not supposed to commence investigation in relation to the Complaint of his own. He shall not be a party to the investigation proceedings initiated under the Policy, unless called upon to do so by the Chairman of Audit Committee or Investigator(s) appointed by him.
- During the investigation proceedings, the Whistle Blower and Offender shall be given reasonable opportunity to explain their conduct. They shall extend full co-operation in

the investigation proceedings, including but not limited to prompt reply to the question(s) of the Chairman of Audit Committee and/or Investigators, not withholding or tampering with evidence, attempting to undue influence/coerce witnesses.

- Whenever and wherever required, the Chairman of Audit Committee may seek feedback and evidence of other employees of the Company.
- Upon completion of the enquiry proceedings, the Chairman of Audit Committee shall submit his written report to the management. The report shall recommend disciplinary action including but not limited to transfer, penal action, dismissal or discharge of offender. The management may, in its discretion either accept the recommendation in the report or annul or partly/fully modify the same. In case of non acceptance of the recommendations by the management, the matter shall be referred to the Board of Directors.
- If as a result of enquiry, Complaint is found to be false, the Whistle Blower shall be subject to disciplinary action as may be recommended by Chairman of Audit Committee and accepted by the management.
- Investigation proceedings under the Policy shall be completed as soon as possible and in any case within 30 days of receipt of Complaint by the Chairman of Audit Committee.

REPORTING

The Compliance Officer shall primarily be responsible for ensuring compliance with the policy. A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

MISCELLANEOUS

The management shall ensure that there is no victimization of Whistle Blower during such time the investigation process is underway. The Whistle Blower may bring to the notice of Chairman of Audit Committee, any incident of violation of this protection. The Chairman of Audit Committee on suitable investigation of the incident, recommend suitable corrective action to the management.

The interpretation of the Compliance Officer on any provision of the Policy shall be final.

AMENDMENT

The Board of Directors reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.