

WHISTLEBLOWER POLICY

1. **P G BHAGWAT LLP, Chartered Accountants** (“the Firm”) is committed to maintain the highest standards of ethics and follow its core values of honesty, integrity, humility, independence, objectivity, and transparency in spirit in all the professional assignments and any other dealing with the customers, employees, vendors, consultants, bankers, and government authorities.
2. Towards this end the Firm has implemented policies on quality control based on the Institute of Chartered Accountants of India’s (ICAI) Standards on Quality Control – I. These policies specifically include guidelines on independence, conflict of interest and code of ethics. Any actual or potential violation of the independence policies and ICAI’s code of ethics, howsoever insignificant or perceived as such, would be a matter of serious concern for the Firm. The role of the partners, employees, articled assistants, and consultants in pointing out such violations of the independence policies and ICAI’s code of ethics cannot be undermined.
3. Though a Whistleblower Policy is currently not mandated under any law for chartered accountancy Firms, the partners of the Firm have decided to voluntarily implement it since it provides various services to several large organizations who are public interest entities/listed entities. Accordingly, this Whistleblower Policy (“the Policy”) and Vigil Mechanism as part of this Policy has been formulated with a view to provide a mechanism for partners, employees, articled assistants and consultants of the Firm to approach the Ethics & Independence committee of the Firm.
4. The Ethics & Independence committee shall review the functioning of the Whistleblower mechanism, at least once in a financial year.
5. The Whistleblower Policy & Vigil Mechanism will be displayed on the internal software/website of the Firm.
6. **Definitions**
 - a. **“Code”** means the independence policy which is part of quality control policies of the Firm.
 - b. **“Ethics & Independence committee”** means the Committee of Partners constituted by the Partners of the Firm.
 - c. **“Designated Partner”** means partners of the FIRM who are appointed as designated partners as per the Firm Agreement.

- d. **“Investigators”** mean those persons authorised, appointed, consulted, or approached by the Chairman of the Ethics & Independence Committee and includes the auditors of the Firm and the police.
- e. **“Managing Partner”** means a partner appointed as a Managing Partners by the Firm Agreement.
- f. **“Partner”** means every partner of the Firm as per the Firm Agreement, past or present.
- g. **“Personnel”** means every employee, articled assistant and consultant of the Firm.
- h. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- i. **“Stakeholders”** means and includes vendors, suppliers, lenders, customers, business associates and others with whom the Firm has any financial or commercial dealings.
- j. **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during an investigation.
- k. **“Whistleblower”** means a Personnel of Firm or Partner or any stakeholder making a Protected Disclosure under this Policy.

7. Scope

- a. This Policy is an extension of the Firm’s Code. The Whistleblower’s role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in each case.
- b. The Personnel of the Firm can also report instances of leak of Unpublished Price Sensitive Information (UPSI) under the mechanism provided in the Policy.
- c. Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the Ethics & Independence Committee or the Investigators.
- d. Protected Disclosure will be appropriately dealt with by the Chairman of the Ethics & Independence Committee.

8. Eligibility

All Personnel, Partners and Stakeholders of the Firm are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Firm or any other Personnel of the Firm including the Partners.

9. Disqualifications

- a. While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a *mala fide* intention.
- c. The Designated Partners/Ethics & Independence Committee would reserve its right to take/recommend appropriate disciplinary action against Whistleblowers who make three or more Protected Disclosures, which have been subsequently found to be *mala fide*, frivolous, baseless, malicious, or reported otherwise than in good faith.

10. Procedure

- a. All Protected Disclosures concerning financial/accounting matters and Personnel at work should be addressed to the Chairman of the Ethics & Independence Committee of the Firm for investigation.
- b. In respect of all other Protected Disclosures, those concerning members of the Ethics & Independence Committee should be addressed to the Managing Partner of the Firm.
- c. The contact details of the Chairman of the Ethics & Independence Committee and the Managing Partner of the Firm are as under:

Chairman of the Ethics & Independence Committee, CA Sanjay Athavale, residing at - Nandadeep, 481C/6, Shri Prasad Society, Shivdarshan Chowk, Pune 411 009, Maharashtra and having mobile number 98500 73202.

Managing Partner, CA Abhijeet Bhagwat, residing at - 301, Ravi Kingston Avenue, Pallod Farm 3, Baner, Pune - 411045, Maharashtra and having mobile number 9822026936.

- d. If a protected disclosure is received by any partner of the Firm other than Chairman of Ethics & Independence Committee the same should be forwarded to the Chairman of the Ethics & Independence Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- e. Protected Disclosures should preferably be reported in writing to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi, Marathi or in the regional language of the place of employment of the Whistleblower.
- f. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistleblower. The Chairman of the Ethics & Independence Committee / Managing Partner, as the case may shall detach the covering letter and forward only the Protected Disclosure to the investigator for investigation if after review; prima facie; found necessary.
- g. Protected Disclosures should be factual and not speculative or in a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- h. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures are not favored as it would not be possible to interview the

Whistleblowers. However, when an anonymous Whistleblower provides specific and credible information that supports the complaint, such as alleged perpetrators, location and type of incident, names of other personnel aware of the issue, specific evidence, amounts involved etc. while choosing to maintain anonymity, then there are often sufficient grounds for the Firm to consider an investigation into the complaint

11. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Managing Partner/ Chairman of the Ethics & Independence Committee of the Firm as applicable who will investigate / oversee the investigations under the authorization of the Ethics & Independence Committee. If any member of the Ethics & Independence Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Ethics & Independence Committee should deal with the matter on hand.
- b. The Managing Partner/ Chairman of the Ethics & Independence Committee may at their discretion, consider involving any Investigators for the purpose of investigation.
- c. The decision to investigate taken by the Managing Partner/ Chairman of the Ethics & Independence Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- f. Subjects shall have a duty to co-operate with the Managing Partner/Chairman of the Ethics & Independence Committee or any of the Investigators during investigation to the extent that such co- operation will not compromise self-incrimination protections available under the applicable laws.
- g. Subjects have a right to consult with a person or persons of their choice, other than the Managing Partner/ Investigators and/or members of the Ethics & Independence Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained,

the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Firm.

- k. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

12. Protection

- a. No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported a Protected Disclosure under this Policy. The Firm, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistleblowers. Complete protection will, therefore, be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The FIRM will take steps to minimize difficulties, which the Whistleblower may experience because of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Firm will arrange for the Whistleblower to receive advice about the procedure.
- b. A Whistleblower may report any violation of the above clause to the Chairman of the Ethics & Independence Committee, who shall investigate into the same and recommend suitable action to the management.
- c. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Chairman of the Ethics & Independence Committee (e.g. during investigations carried out by Investigators).
- d. Any other Personnel or Partner assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

13. Investigators

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Managing Partner/ Ethics & Independence Committee as applicable when acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review which establishes that:
 - i. the alleged act constitutes an improper or unethical activity or conduct, and

- ii. either the allegation is supported by information specific enough to be investigated or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

14. Decision

If an investigation leads the Chairman of the Ethics & Independence Committee/Managing Partner to conclude that an improper or unethical act has been committed, the Designated Partners shall recommend appropriate disciplinary or corrective action to the Chairman of the Ethics & Independence Committee for his consideration and approval. It is clarified that any disciplinary or corrective action initiated against the Subject because of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

15. Reporting

- a. The Chairman of the Ethics and Independence Committee shall submit a report to the Designated Partners on a quarterly basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

16. Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the FIRM for a period of seven years.

17. Amendment

The Firm reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the personnel, partners and stakeholders unless the same is notified to the Partners and Personnel in writing and displayed on the internal software/website in case of stakeholders.