



# **DISCIPLINARY ACTION POLICY**

## **Bajaj Financial Securities Limited – FY 26**

## Approvals/Sign-off Sheet:

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### This Document

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### AMENDMENTS to the STANDARD, if any:

- Shall be made, only by the policy owner as approved by the Management.
- Shall be incorporated in all the controlled copies and entered in the Document Control Log enclosed in the template.

## Table of Contents

1. Purpose and Background.....	4
2. Scope and Applicability .....	4
3. Roles and Responsibilities.....	4
4. Disciplinary Policy and Procedures.....	5
5. Severity Categorization .....	7
6. Incident Type Categorization.....	7
7. Suspension Process .....	13
8. Miscellaneous .....	13
9. Review .....	14
10. Amendments .....	14
11. Annexure.....	15

## 1. Purpose and Background

The policy aims to create an internal governance framework for the organization that defines 'unacceptable' employee actions and the resultant redressal approach to address such instances. It is designed to achieve fair methods for dealing with disciplinary and other matters (including conduct, capability, and attendance), thereby contributing to sound relationships between Bajaj Broking ("BFSL" or the "Company") and its employees.

The policy is not intended to be punitive in nature but outlines a staircase methodology and specifies action committees who would be responsible to investigate and address various types of incidents as and when they are reported and/or identified. However, the procedural steps set out in this policy are a guide to be taken to deal with each situation reasonably and, wherever possible, help the person concerned to improve their conduct of behavior to reach acceptable standards. The steps taken will depend upon the circumstances in each case and the point at which the disciplinary procedure is initiated, or the omission of any of the stages, will depend entirely on the seriousness and the nature of the misconduct.

Further, this policy also encourages employees to voice concerns about perceived injustice, mistreatment, or persistent obstacles caused due to interpersonal issues or issues arising from interpretation and implementation of Company's policies and processes. The idea is to emphasize on the importance of a harmonious relationship amongst the employees and to facilitate them to be able to address any grievances relating to their employment with the Company and in relation to inter se interaction with superiors and/or peers at the workplace. This Policy is brought into effect pursuant to Section 9C of the Industrial Disputes Act, 1947 for the resolution of work-related grievances if any of the employees.

## 2. Scope and Applicability

This policy and process document along with its annexure(s) is applicable to all employees including trainees, management trainees, apprentices, interns, full-time employees and contracted employees of Bajaj Broking.

## 3. Roles and Responsibilities

### **Company Expectations:**

- i. All the employees shall update themselves with the procedures set out in this policy and to carry out their job in accordance with the Policy / Process applicable to their role. All the employees shall comply with the Code of Conduct and policies of the Company and shall not engage in any act/omission always resulting into an infraction.
- ii. To maintain effective and professional work relationships with colleagues / fellow staff and treat all with dignity and respect. To behave appropriately and in line with all the Company's rules, policies and procedures with colleagues/fellow staff/team, customers, visitors to the Company and always, understanding the impact of your behavior on others.
- iii. To clarify expectations, behaviors, and rules with your reporting manager if you are unsure about them.
- iv. The employees shall co-operate with their reporting manager, Human Resource ("HR") and the Disciplinary Action Committee ("DAC") and participate in the disciplinary proceedings as and when required for the resolution of the infractions alleged against him/her.

### Manager Expectations:

- i. Manage and to set an example to all staff/team through their own conduct and behavior. Reinforce clear standards for the conduct of all staff/team that they manage and provide appropriate feedback to their staff/team in respect of their conduct.
- ii. The reporting manager shall endeavor to resolve the issues of potential infractions initially through informal discussion with the employee.
- iii. The reporting manager shall act promptly upon receipt of a complaint against any employee and where necessary, shall ascertain the veracity of the complaint and its background. The reporting manager, in consultation with the HR, will be responsible to issue the necessary communication to the employee, upon finalization of the decision of the DAC and will, along with the HR, be responsible for ensuring that the decision is fully implemented.
- iv. The reporting manager shall monitor the employee's improvement, or lack thereof, in applying the prescribed corrective action. The Manager shall seek advice from the HR on the policy and procedure where they are unsure how to proceed.

### Others:

- i. The complainant will not be penalized in any manner and no retaliatory action will be taken against anyone for reporting or inquiring in good faith about potential infractions or for seeking guidance on how to handle suspected infractions. However, the Company reserves the right to take appropriate action against the complainant in case of frivolous and false complaints.
- ii. HR shall be responsible to spread awareness amongst all the employees with respect to these procedures and shall ensure that new employees are made aware of these procedures at the time of induction. HR will clarify any queries that the employees may have in relation to these procedures set out in this policy.
- iii. HR will be responsible to ensure facilitation of the disciplinary proceedings and will assist in the implementation of the disciplinary action recommended by the DAC.

## 4. Disciplinary Policy and Procedures

The procedures are primarily tools to help and encourage improvement amongst employees/ staff whose conduct is unsatisfactory and are not viewed simply as a way of imposing sanctions.

### Primary Areas for Disciplinary Action

There are two primary areas in which disciplinary action may be required to maintain the smooth and effective running of Bajaj Broking. The two areas are:

- i. **Misconduct** – This applies where it is alleged that there is some fault or blame on the part of the employee concerned. Misconduct can include, but will not be limited to, indulging in verbal abuse, persistent poor timekeeping, insubordination, disruptive behavior, or any other act which Bajaj Broking considers to be a breach of the standards of discipline/ behavior required.
- ii. **Gross Misconduct** – Gross misconduct includes, but is not limited to, the incidents and/or actions indicated below which are not conclusive of all actions that shall be considered as within the scope of 'Major Misconduct' in this Disciplinary Action Conduct ("DAC"). The severity of the action will be duly assessed by the DAC and appropriate categorization of action would occur there in which may map an action as either Minor, Medium, or Major severity and may in turn be added to this list of major Misconduct detailed below, as addendums to the current policy:

- a. Failure to work in accordance with prescribed Company guidelines, policies, procedures, and Code of Conduct.
- b. Sexual harassment at the workplace (which will be dealt as per the Sexual Harassment Policy).
- c. Breach of confidentiality, prejudicial to the interest of the Company.
- d. Consumption of drugs or alcohol during office hours/on office premises.
- e. Breach of IT policy/ procedures like Password sharing, Unauthorized sharing of private, confidential, or proprietary data, including customer data, with external parties (except as required by law, regulations or on the instructions of a regulatory authority).
- f. Unauthorized possession of Company's property/assets.
- g. Storing or accessing or sharing the illicit content on the organization's assets, such as desktop/laptop (within or outside the organization).
- h. Breach of Security Procedures.
- i. Physical assault, Violence, or Intimidation at the workplace.
- j. Display of unprofessional behavior, dishonesty, insubordination, indiscipline and misbehavior with seniors or colleagues.
- k. Moral turpitude (including non-adherence to the norms of acceptable interaction and behavior in office or outside office).
- l. Frequent absence from work /Absconding from work/services for a period of 7 consecutive working days without valid reason, notification, or authorization/approval.
- m. False declaration of qualifications or professional registration or concealing/ omitting critical information as part of Background verification report.
- n. Tampering and manipulating official documents or serious omission of facts.
- o. Falsification of records (for example, information relating to employment, expense claims etc.)
- p. Malfeasance, fraud, or other financial irregularities perpetrates while in employment of the Company.
- q. Misappropriation, Misuse or willful damage to the property or reputation of the Company.
- r. Bribing or attempting to bribe another individual, or personally taking or knowingly allowing another person to take a bribe.
- s. Striking work or inciting/abetting others to strike from doing work.
- t. Victimization of other employees.
- u. Conduct prejudicial to the best interests of the Company.
- v. Non-compliance/violation of laws, regulations, guidelines, and procedures (such as RBI, SEBI etc.).
- w. Damage or apprehended damage to the Company's reputation.
- x. Non-compliance with service rules and repeated minor misconducts.
- y. Any other acts/ incidents that may amount to a serious criminal offence under law and/or is prejudicial to the best interests of the Company.

Employees witnessing such behaviors are advised to refer to the whistleblower policy for reporting mechanisms. To raise a complaint, write an email to the following official reporting channels:

- i. [ecomplaints@bajajbroking.in](mailto:ecomplaints@bajajbroking.in)
- ii. [whistleblower@bajajbroking.in](mailto:whistleblower@bajajbroking.in)

## 5. Severity Categorization

### Minor Severity Incidents

An incident shall be categorized as 'Minor Severity' if it is ascertained that it has occurred unintentionally and that such action(s) was unusual and outside the scope of normal business practices and that it has resulted in a cognizable and negative impact.

Such actions shall, by virtue of their severity attract a corrective response from the designated authority, who would aim to address the severity of such negative actions to the concerned employee in a way that he/she understands the damage caused by his/her actions and is reasonably punished to curtail a recurrence of such action in the near future.

### Medium Severity Incidents

An incident shall be categorized as 'Medium Severity' if it is ascertained that it has occurred consciously and that such action(s) has resulted in a cognizable and negative impact.

Such actions shall by virtue of their severity attract a corrective action from the designated authority, who would aim to exemplify the severity of such negative actions to the concerned employee and the organization in general in a way such that he/she understands the damage caused by his/her actions and is reasonably punished to either curtail the recurrence of such action in the near future, or permanently limit any future opportunity for such action to be repeated by the concerned employee(s).

### Major Severity Incidents

An incident shall be categorized as 'Major Severity' if it is ascertained that it has occurred consciously, and beyond the reasonably accepted scope of business practice, thus resulting in a permanent, objectionable, and significant negative impact.

Such actions shall by virtue of their severity attract strong corrective action (including termination of employment) from the designated authority, who would aim to exemplify the severity of such negative actions to the concerned employee and to all the members of the organization in general. In addition to disciplinary action that may be initiated by the Company, further legal action may also be initiated by the organization to the extent as prescribed by applicable laws in India.

Any actions undertaken at an individual level, while representing the organization/Company or otherwise, including during international visits or contest trips or off site(s) or recreational trips organized by or on behalf of the Company which result in tarnishing the Company's image will be treated as a major severity incident.

The Company shall also reserve the right to initiate civil and criminal proceedings, if required, to ensure safekeeping of the organization's image and reputation.

## 6. Incident Type Categorization

### Issue Type 1 – Corporate

Any issue which directly violates a regulatory requirement or aspect of compliance such that it puts the Company into legal and social jeopardy shall map under the 'Corporate Affairs' category. e.g.

- i. Actions leading to 'Defamation' of the Company's brand image.
- ii. Misappropriation of Company funds.
- iii. Misconduct resulting in negative impact to Company's image.
- iv. Acts resulting in Legal proceedings.

### **Issue Type 2 – Business**

Any issue which directly or indirectly contravenes with the normal business pattern and/ or course of action such that it puts a temporary or permanent stoppage to the workflow in a business unit or business enabling unit and/ or results in a cause which requires to be normalized by corrective action to make good impact to business delivery or reporting. e.g.

- i. Policy and Process non- adherence
- ii. Fraud, Cash Funding and Misappropriation
- iii. Document forgery
- iv. Any other acts/ incidents which may amount to a criminal offence under Indian Penal Code.
- v. Unauthorized disclosure of information which is confidential in nature and includes information pertaining or relating to the Company, its business, customers, employees, or administration.

### **Issue Type 3 – Employee Conduct**

Any issue which directly or indirectly relates to an employee causing cognizable negative impact or hurt to another employee either physically or psychologically by actions or words which are not within the meaning of acceptable work behavior as prescribed by the organization. e.g.

- i. Indecent office demeanor
- ii. Verbal Abuse
- iii. Physical Assault
- iv. Suppression and/ or misreporting of facts, figures, and information.
- v. Coercion.
- vi. Any other acts/ incidents which may amount to a criminal offence under Indian Penal Code.
- vii. Non-reporting of malpractices despite having knowledge of same.
- viii. Violation of Information Technology, Code of Conduct and/ or Separation policy.

### **Composition & Quorum of Disciplinary Action Committee**

DAC shall consist of certain senior management representatives from different functional areas in the organization (as per Annexure 1).

However, if a complaint is lodged with the DAC against one of its members, such member against whom the complaint has been registered will be removed from the DAC. In such cases the other DAC members and MD shall identify another senior management member as a replacement.

The minimum quorum required for conducting meeting of DAC shall be the presence of at least three (3) members. CHRO presence is mandatory.

### **Investigation**

At every instance of disciplinary misconduct, the procedure stated below must be followed. When informed of a case of disciplinary misconduct, the disciplinary proceedings shall be initiated by the disciplinary committee.

- i. An independent investigating officer or an authorized person having no interest in the matter, shall be appointed /authorized by the DAC. officer or the person will, where

- appropriate, investigate the facts and collate all the evidence as soon as reasonably practicable.
- ii. The officer or person engaged in an investigation should keep an open mind and should not judge the issues until all the facts have been ascertained.
  - iii. The officer or person investigating the matter may briefly record the conversation over email and obtain acceptance confirmation from the witnesses.
  - iv. The Company will endeavor to gather all the evidence and interview relevant witnesses.
  - v. No decisions will be taken until the investigation, and the disciplinary procedure has been completed.
  - vi. The employee will not normally have the right to legal representation/hearing at the investigation stage. In exceptional circumstances involving gross misconduct, a modified procedure may apply with the approval of the HR Department.
  - vii. When dealing with information from witnesses, who wish to provide such evidence in confidence, it will still be preferable to obtain a written statement or through any other electronic means (Video Recording/E- mail) of communication. Alternately, the official investigating the matter may briefly record the conversation over email and obtain acceptance confirmation from the witnesses.
  - viii. Where possible those individuals interviewed will be assured of anonymity and discretion at all stages of the investigation. Further, all the individuals involved in the disciplinary process are required to ensure that confidentiality is maintained throughout the disciplinary action process.
  - ix. Publishing/ communicating or in any other manner making known to the public, press or media or to any other person who is not authorized to receive, any information in relation to the process, the identity of the employees involved, the investigation and disciplinary proceedings, recommendations of the DAC, is strictly prohibited and appropriate action shall be taken against the defaulting employee.

### **Disciplinary Inquiry**

- i. Once it has been determined based on a preliminary inquiry that the alleged act committed by an employee necessitates a disciplinary inquiry, the investigating officer shall notify the concerned employee that a disciplinary inquiry is to be conducted to enquire into the alleged misconduct.
- ii. No disciplinary action shall be taken for an act of misconduct unless it is preceded by a disciplinary inquiry and disciplinary proceedings in accordance with the DAC.

### **Manner of Disciplinary Proceedings**

- i. The disciplinary proceedings shall be conducted in a professional and
- ii. constructive way and with utmost confidentiality and shall involve the following steps:
- iii. Investigation of the misconduct by the investigating officer including conducting interviews of the relevant persons and inspection of the necessary documents and records. Depending on the severity of the offense, the employee may be suspended during the investigation.
- iv. Investigating Officer or DAC may assign investigation to Audit, Risk, HR, or any appropriate department in the organization or any external agency, if it involves certain expertise/specialized services, depending on the severity of a case.
- v. If the outcome of the investigation reveals sufficient evidence in relation to the misconduct, the investigation officer shall prepare a charge sheet clearly setting forth the findings of the investigation and the nature of charges against the concerned employee.
- vi. The charge sheet along with the findings of the investigation shall be sent to the concerned employee along with a show cause notice providing the employee with the opportunity to provide a written response defending his/her case within a reasonable time frame.

- vii. However, if the employee confesses at any stage of the investigation, a Show Cause Notice must still be issued.
- viii. Once the charge sheet, investigation report, and the employee's response have been received, the Disciplinary Action Committee (DAC) will conduct a fair hearing, following the principles of natural justice. The employee will have the right to review the documents and records presented as evidence, if applicable.
- ix. If the employee fails to attend the hearing despite reminders or does not reasonably co-operate in the investigation with a view to delay the process, the DAC will be entitled to base its decision basis the response submitted by the employee and the information available at hand.
- x. After the hearing, the DAC shall prepare a report along with its recommended action based on the findings of investigation and submissions made before the DAC at the hearing and send the same to the HR department for taking necessary action.
- xi. The DAC may take any of the actions depending on the findings of the investigation report, submission of the employee and other facts and circumstances submitted: (i) No Action; (ii) Counselling; (iii) Verbal Warning; (iv) Written Warning; (v) Demotion; or (vi) Termination from employment; (vii) Incentive Docking or any suitable action (defined in Annexure 2).
- xii. Upon receiving the report of the DAC, the HR department will issue a closure letter to the employee as soon as possible informing such employee of the decision of the DAC and reasons for the same.
- xiii. The disciplinary proceedings should be completed within 90 days once it has been determined that the act of misconduct necessitates action. The period of (90) days may only be extended by the DAC for cogent reasons, and only for a further period of 90 days at the maximum.

### **Employee's Rights**

- i. At each stage of the disciplinary procedure, the employee shall have the right: To be informed of the complaint against them.
- ii. To present the facts as may be appropriate before acting under the formal parts of this procedure. To be advised of their interviewer if they are called for a formal interview.
- iii. To be given the reason for any penalty imposed, in writing.

### **Postponement of Hearing**

If it is not reasonably practicable for the employee or the DAC to attend a hearing under the disciplinary procedure for a reason which was not foreseeable when the meeting was arranged, the DAC shall arrange another meeting to take place at a reasonable time and location to discuss the issues of concern.

If the DAC has invited the employee to attend two meetings and the circumstances referred to in this paragraph applied in relation to each of them, the DAC will consider whether to call a further meeting. The employee should inform the DAC as soon as possible if he/ she cannot attend the meeting.

### **Disciplinary Action Staircase**

The below table is indicative and does not set out an exhaustive list of incidents and the approach that the Company may adopt to deal with each type of incident. Depending upon the severity of the incident, the management may deviate from the approach stipulated in this table.

Issue Type	Type of Misconduct	Minor Severity – Disciplinary Action	Medium Severity – Disciplinary Action	Major Severity – Disciplinary Action
<b>Corporate Issues</b>	Decision making beyond the level of authority (e.g., speaking to media about the Company)	1st Offence: Counselling 2nd Offence: Verbal Warning 3rd Offence: Performance Pay Incentive Docking	1st Offence: Written Warning with Suspension 2nd Offence: Performance Pay Incentive Docking 3rd Offence: Termination	Termination
<b>Corporate Issues</b>	Actions leading to defamation of the Company's brand image	–	–	Termination
<b>Corporate Issues</b>	Impersonation	–	–	Termination
<b>Corporate Issues</b>	Misconduct resulting in negative impact to Company's image	–	–	Termination
<b>Corporate Issues</b>	Bribery / Misappropriation of Company funds resulting in legal proceedings	–	–	Termination
<b>Corporate Issues</b>	Decision making beyond level of authority (e.g., IRR approval beyond authority)	–	1st Offence: Suspension 2nd Offence: Written Warning 3rd Offence: Incentive Docking	–
<b>Corporate Issues</b>	Non-adherence to Business Policy and Process	–	1st Offence: Suspension 2nd Offence: Written Warning 3rd Offence: Incentive Docking	–
<b>Corporate Issues</b>	Unauthorized disclosure of confidential information (Company, business, customers, employees, administration)	–	–	Termination
<b>Corporate Issues</b>	Document & Signature Forgery / Criminal offence under IPC	–	–	Termination
<b>Business Issues</b>	Involvement in fraud, cash funding, misappropriation of Company funds, tampering of accounts, forgery/fabrication of documents	–	–	Termination

<b>Business Issues</b>	Decision making beyond authority, inflated cost/expenditure reporting, incorrect receipts/bills/invoices/claims submission	–	–	Termination
<b>Business Issues</b>	Suppression of information / misreporting / misrepresentation / coercion / fake employee claims & reimbursement	–	–	Termination
<b>Business Issues</b>	Indecent office demeanour, verbal abuse, unparliamentary language, non-reporting of malpractices despite knowledge	1st Offence: No Action 2nd Offence: Counselling 3rd Offence: Verbal Warning	–	–
<b>Employee Conduct</b>	Misbehavior with colleagues / business partners / service providers / vendors	1st Offence: No Action 2nd Offence: Counselling 3rd Offence: Verbal Warning	1st Offence: Suspension 2nd Offence: Written Warning 3rd Offence: Incentive Docking	–
<b>Employee Conduct</b>	Violation of Hiring Process (Hiding facts)	1st Offence: No Action 2nd Offence: Counselling 3rd Offence: Verbal Warning	1st Offence: Suspension 2nd Offence: Written Warning 3rd Offence: Incentive Docking	–
<b>Employee Conduct</b>	Violation of Information Technology (INFOSEC – sharing official information to personal email ID)	1st Offence: No Action 2nd Offence: Counselling 3rd Offence: Verbal Warning	1st Offence: Suspension 2nd Offence: Written Warning 3rd Offence: Incentive Docking	–
<b>Employee Conduct</b>	Physical assault / damage to Company property / entering office under influence of alcohol or drugs	–	–	Termination

**Important Note:**

- i. Legal interventions/recourses shall be resorted by the organization as and when felt necessary by the organization.
- ii. Separation from service shall not absolve an individual of accountability for misconduct committed during employment.
- iii. If any such case is discovered post-exit, Bajaj Broking reserves the right to pursue appropriate legal action and recovery.

## 7. Suspension Process

Reason for suspension is detailed in Annexure 2 to this policy.

The employee shall be informed in writing about the suspension from duty and depending on severity if the suspension will be full or half pay while the investigation is being conducted.

The suspension letter would include the following:

- i. Reason for suspension.
- ii. Date and time from which the suspension will operate.
- iii. Expected duration of the ongoing investigation and the right of the Company to further extend suspension.

Suspension will be jointly reviewed by HR and DAC Committee members on a regular basis by the HR and care will be taken to ensure that the suspension is not unnecessarily protected.

Employees shall, if suspended, have their security pass removed and access to their computer systems temporarily disabled.

## 8. Miscellaneous

### **Reporting Cases of Fraud to Reserve Bank of India & SEBI**

In addition to the actions set out by the policy above, the DAC shall also take other actions such as, in cases of frauds where the quantum attracts suspicion and is perpetrated through misrepresentation, breach of trust, manipulation of books of account, fraudulent encashment of FDRs unauthorized handling of securities charged to the, misfeasance, embezzlement, misappropriation of funds, conversion of property, cheating, cash shortages, irregularities, etc. report the same to relevant teams.

The DAC shall ensure that every instance of determination of fraud as per the Company's Fraud Policy, that may come to its knowledge is forwarded to the relevant teams by the Company as soon as possible.

The DAC shall treat a case of fraud as closed only when the following actions, if initiated, are completed:

- i. The fraud cases pending with CBI/Police/Court are finally disposed of.
- ii. The examination of staff accountability has been completed.
- iii. The amount of fraud has been recovered or written off.
- iv. Insurance claim wherever applicable has been settled;
- v. The Company has reviewed that the systems and procedures, identified as the causative factors and plugged.
- vi. The gap or deficiency, as identified and formally acknowledged by the appropriate authority (such as the Department Head, MD or Board)

### **Reporting Cases of Fraud to the Board of Directors**

In addition to the actions set out by the policy above, the DAC shall also notify the Board of Directors of the Company as follows:

- i. The DAC shall submit to the Board of Directors a quarterly report on all fraudulent activities that have come to its knowledge in each quarter accompanied by supplementary material analyzing statistical information and details of fraud, the root cause, action taken by the company against the employee and any process/ control update, if any, so that the Board would have adequate material to contribute effectively regarding the punitive or preventive aspects of frauds.
- ii. In addition to the above, the DAC may conduct an annual review of the frauds (in case of more than 3 cases) and resulting process updates, if any, and place a note to the Board of Directors for information. The review for the Financial Year may be put up to the Board of Directors before in the first board meeting of the new Financial Year.

### **Records Maintenance**

- i. Individual files of employees against whom disciplinary proceedings (both physical & electronic records) have been initiated/concluded have to be preserved for a period of 8 years from the last date of their employment.
- ii. In case of any litigation initiated by or against employee, all employment records shall be maintained for an indefinite period i.e., till conclusion of litigation, as may be confirmed by inhouse Legal department.

## **9. Review**

The policy in general, will be reviewed once annually. Additionally, in case of any amendment is required pursuant to change in laws / regulations, any circumstances which warrant a change/modification, organizational change, etc., such amendments to the Policy shall be implemented with the prior approval of the MD of the Company and shall be placed in the next board meeting.

## **10. Amendments**

The policy can be modified, amended, or withdrawn at any point of time at the discretion of management by issuing a notification to this effect.

## 11. Annexure

### Annexure 1: Committee Members

Name	Designation	Email ID
<b>Jennifer Fernandes</b>	CHRO - BFL	jennifer.fernandes@bajajfinserv.in
<b>Vikrant Birajdar</b>	Head - HR	vikrant.birajdar@bajajbroking.in
<b>Saksham Kaushik</b>	Head - Legal	saksham.kaushik@bajajbroking.in
<b>Rahul Dsilva</b>	AVP - HR COE	rahul.dsilva@bajajbroking.in
<b>Pranav Patankar</b>	Manager - HR COE	pranav.patankar@bajajbroking.in
<b>Department Head of the employee who is being investigated</b>		

Note: DAC action will be taken by Human Resources and any one member from the balance members.

### Annexure 2: Disciplinary Action

Disciplinary Action	Details
<b>No Action</b>	<p>No action will be initiated where the case/offence is unfounded due to lack of supporting evidence or lack of merit.</p> <p><b>Note:</b> Cases involving gross misconduct that cannot be established due to lack of evidence will not fall under this category.</p>
<b>Counselling</b>	<p>Action may be considered where the employee's conduct has fallen below acceptable standards and the offence (as defined under Para 4.1.1) can be corrected through counselling.</p> <p><b>Note:</b> Cases involving gross misconduct that cannot be established due to lack of evidence will not fall under this category.</p>
<b>Verbal / Oral Warning</b>	<p>Action may be considered where the employee's conduct has fallen below acceptable standards and misconduct is established.</p> <p>The outcome will normally consist of an oral warning issued by HR in the first instance. This will be recorded by the concerned manager, with a copy retained in HR records.</p> <p>HR will issue a formal email to the employee documenting the discussion and clearly recording the oral warning provided.</p>
<b>Written Warning</b>	<p>Action may be considered where:</p> <ol style="list-style-type: none"> <li>i. There is no improvement in conduct previously warned against; or</li> <li>ii. There is a recurrence of indiscipline or related misconduct; or</li> <li>iii. Misconduct is confirmed and is of such seriousness that an oral warning is not appropriate</li> </ol>

<b>Performance Pay Incentive Docking / Suspension (where applicable)</b>	<p>Action may be considered where:</p> <ul style="list-style-type: none"> <li>i. A written warning has already been issued and further misconduct occurs while it is active;</li> <li>ii. There is no improvement in previously warned conduct;</li> <li>iii. The misconduct is serious enough that verbal or written warning is insufficient, but does not justify termination;</li> <li>iv. Based on preliminary evidence, the Disciplinary Action Committee (DAC) is convinced that wrongdoing has occurred.</li> </ul>
<b>Suspension</b>	<p>Action may be considered where:</p> <ul style="list-style-type: none"> <li>i. There is a reasonable belief that the employee has committed serious or gross misconduct and allowing continuation at work may compromise the integrity of the investigation;</li> <li>ii. Preliminary evidence suggests the employee's continued presence may interfere with witnesses, documents, or the inquiry process;</li> <li>iii. The employee is suspected of actions posing risk to safety of others, company property, or organizational reputation, and there is no reasonable alternative;</li> <li>iv. The Company has reason to believe that an offence punishable under law may have been committed and immediate suspension is necessary pending investigation;</li> <li>v. The alleged misconduct is of such gravity that retaining the employee during investigation is not in the best interest of the Company or stakeholders;</li> <li>vi. The situation warrants protective separation to ensure a neutral investigation environment, without implying presumption of guilt.</li> </ul>
<b>Termination</b>	<p>Action may be considered where:</p> <ul style="list-style-type: none"> <li>i. An allegation of gross misconduct is found to be proven;</li> <li>ii. There is no improvement in conduct within the specified period following a final written warning;</li> <li>iii. Repeated misconduct is committed by the employee;</li> <li>iv. Any other instance deemed appropriate and necessary by the Disciplinary Action Committee (DAC).</li> </ul>