

# WHISTLE BLOWER POLICY

## WHISTLE BLOWER POLICY OF BITS LIMITED

### PREFACE

Section 177 read with Rule 7 of The Companies (Meetings of Board and its Powers), 2014 and revised Clause 49 of the Listing Agreement, inter-alia, provides, a mandatory requirement, for all listed companies to establish a mechanism called “Vigil Mechanism (Whistle Blower Policy)” for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects directors and employees wishing to raise a concern about serious irregularities within the Company

### 1. POLICY

The Whistleblower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company.

The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

### 2. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalized terms are not defined herein shall have the meaning assigned to them under the Code.

#### **Audit Committee:**

A committee Constituted by the Board of Directors of the company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.

#### **Board:**

Board means the Board of Directors of the Company.

#### **Code:**

Code of Conduct for Board of Directors Directors and Senior Management Executives adopted by **BITS LIMITED**

#### **Employee**

Every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.

#### **False Complaints**

While this Policy is intended to protect genuine Whistleblowers from any unfair treatment as a result of their disclosure, misuse of this protection by making frivolous and bogus complaints with mala fide intentions is strictly prohibited. Personnel who makes complaints with mala fide intentions and which are subsequently found to be false will be subject to strict disciplinary action.

**Protected Disclosure:**

Any communication made in good faith that discloses or demonstrates an intention or evidence of

- An ongoing spurious / unethical activity or
- Any condition that may preempt occurrence of such activities.

Protected Disclosures should be factual and not speculative in nature.

**Subject**

It means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation under this Policy.

**Vigilance Officer/Vigilance Committee or Committee”**

Is a person or Committee of persons, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

**Whistleblower:**

Is someone who makes a Protected Disclosure under this policy, keeping the organization’s interests in mind.

**3. SCOPE OF POLICY**

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- Abuse of authority
- Breach of contract
- Negligence causing substantial and specific danger to public health and safety
- Manipulation of company data/records
- Financial irregularities, including fraud, or suspected fraud
- Criminal offence
- Pilferation of confidential/propriety information
- Deliberate violation of law/regulation
- Wastage/misappropriation of company funds/assets
- Breach of employee Code of Conduct or Rules
- Any other unethical, biased, favoured, imprudent event

Through this Policy, the Company seeks to provide a procedure for all the employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting

**4. ELIGIBILITY**

All employees are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

## 5. MANNER IN WHICH CONCERNS CAN BE RAISED

- All Protected disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation
- All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should rescue himself/herself and the other members of the Audit Committee should deal with the matter on hand.
- If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, Chairman of the Audit Committee shall recommend to the board of directors of the Company to take such disciplinary or corrective action as the Chairman of the Audit Committee deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures

## 7. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of eight years. or such other period as specified by any other law in force, whichever is more.

## 8. REPORTING MECHANISM

Employees can make the protected disclosures by sending an email to the Chairman of the Audit Committee of the Company[U1] at [hcmintuchauhan@gmail.com](mailto:hcmintuchauhan@gmail.com)

## 9. PROTECTION

- No unfair treatment will be meted out to a Whistle Blower 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 Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.
- The identity of the Whistle Blower shall be kept confidential.
- Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

## 8. MODIFICATION IN POLICY

The Company may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, state, central and federal regulations and/or accommodate organizational changes within the Company.

Any policy update or renewal would be communicated to all the persons to whom this policy is applicable