

# **OCTAWARE TECHNOLOGIES LIMITED**

## **WHISTLE BLOWER POLICY**

**(Meant only for use of Directors/Employees of Octaware Technologies Limited)**

### **1. PREAMBLE**

The Company is committed to the conduct of the affairs in a fair and transparent manner by adopting the best practices with highest standards of integrity, professionalism and ethics. As part of the process of ensuring adherence to these tenets, the Company has adopted the Document for Governance and Conduct, which lays down the principles and standards that should govern the actions of the Company and its directors and employees. Revised Clause 49 of the Listing Agreement provides for a mandatory requirement for all listed entities to establish a mechanism called "Whistle Blower Policy" for directors and employees to report to the management instances of any unethical behaviours, actual or suspected, fraud or violation of the company's code of conduct or ethics policy. The Companies Act, 2013 also mandates a vigil mechanism for employees and Directors to report their genuine concerns.

Accordingly, this Whistle-blower Policy ("the Policy") has been formulated with a view to provide a mechanism for Directors and employees of the Company to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the codes contained in the Company's Document for Governance and Conduct.

This Policy comes into force from 29<sup>th</sup> May, 2017 and shall be in force as amended from time to time.

### **2. SCOPE AND ELIGIBILITY:**

This policy is an extension of the company's Document for Governance and Conduct. The Whistle Blower's role is to report matters of concern with reliable information on hand. They are not expected to investigate or find any facts nor are they expected to determine a corrective action. They should not act on their own in conducting any investigative activities nor do they have any right to participate in any investigative activities other than as requested by the Corporate Governance Officer or the Chairman of the Audit Committee. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within 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.

### **3. DEFINITIONS:**

- 3.1 "Audit Committee" means the committee constituted by the Board of Directors as required by Sec. 177 of the Companies Act, 2013 and the Listing Agreement.
- 3.2 "Corporate Governance Officer" means the officer nominated by the Audit Committee to receive Protected Disclosure and such officer shall be of the rank of a Director or Key Managerial Personnel of the Company. The current nominated

Corporate Governance Officer is Mr. Anil Kumar Singh, Chief Financial Officer of the Company.

- 3.3 "Disciplinary Action" means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 3.4 Director means a Director appointed to the Board of the company.
- 3.5 Employee means every employee on the rolls of the Company including whole-time and managing directors.
- 3.6 Executive Chairman means the Chairman of the Board of Directors holding executive position as a whole-time director.
- 3.7 "Investigator" means an officer or Committee of persons who is nominated / appointed to conduct detailed investigation.
- 3.8 "Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- 3.9 "Subject" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.10 "Whistle Blower" means a Director / Employee making Protected Disclosure under this Policy.

#### **4. COVERAGE OF POLICY AND ELIGIBILITY**

- 4.1 The Policy covers unethical behavior, actual or suspected fraud and violation of the code contained in Company's Document for Governance and Conduct. The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty disclosures or personal grievances. An illustrative list of issues that can be raised under this Policy and issues that cannot be raised under this Policy are given in the Annexure.
- 4.2 Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.
- 4.3 All Directors / Employees of the Company are eligible to make Protected Disclosures under the Policy

#### **5. DISQUALIFICATIONS**

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

- 5.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
- 5.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious or reported otherwise than in good faith, would be disqualified from reporting further Protected Disclosures under this policy and may be subject to disciplinary action.

## **6. MANNER IN WHICH CONCERN CAN BE RAISED**

- 6.1 Employees can make Protected Disclosure to the Corporate Governance Officer as soon possible but not later than 30 calendar days after becoming aware of the same. Whistle Blower must put his / her name to allegations. Concerns expressed anonymously will not be entertained or investigated.
- 6.2 Protected Disclosures should be in writing clearly stating the concern and sent to the Corporate Governance Officer of the Company under a covering note as per format given in the Policy providing the details of the Whistle Blower and the Subject. The matter of concern should be attached as a separate enclosure without the name of the Whistle Blower. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

The contact details are:

Corporate Governance Officer (Vigil): Company Secretary  
Corporate Office Address: 204, Timmy Arcade, Makwana Road, Marol,  
Andheri East, Mumbai-400059  
Email: cs@octaware.com

- 6.3 In the event of any concern of grave nature the Protected Disclosure may be made to the Chairman of the Audit Committee at the same contact address mentioned or the Executive Chairman of the Company.
- 6.4 If a Protected Disclosure is received by any executive of the Company other than the Corporate Governance Officer or the Chairman of the Audit Committee or the Executive Chairman of the Company, the same should be forwarded to the Corporate Governance Officer for further action.

## **7. INVESTIGATION**

- 7.1 If initial enquiries by the Corporate Governance Officer / Chairman of Audit Committee / Executive Chairman indicate that the concern has no basis, or it is not a matter to be investigated or pursued under this Policy, it may be dismissed at this stage and the decision shall be documented.
- 7.2 Where initial enquiries indicate that further investigation is necessary, the same will be carried by the Corporate Governance Officer or Chairman of the Audit Committee or the Executive Chairman directly or by Investigator nominated by them. With respect to Protected Disclosure directly received by the Chairman of the Audit Committee or Executive Chairman, he may either ask the Corporate Governance Officer to carry out the investigation in a manner deemed fit by him or may nominate any other Investigator. The aforesaid three officials will function

in coordination to avoid multiple investigations on the same issue. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.

- 7.3 Name of the Whistle Blower shall not be disclosed to Investigator
- 7.4 The Corporate Governance Officer / Chairman of the Audit Committee / Executive Chairman shall:
- i) Make a detailed written record of the Protected Disclosure. The record will include:
    - a) Facts of the matter
    - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
    - c) Whether any Protected Disclosure was raised previously against the same subject;
    - d) The financial / otherwise loss which has been incurred / would have been incurred by the Company.
    - e) Findings of Investigation by self or by the Investigator
    - f) The recommendations of the Investigator
  - ii) The Investigator shall finalise and submit the report within 30 days of being nominated / appointed.

## 8. DECISION:

If an investigation leads the Corporate Governance Officer / Chairman of the Audit Committee / Executive Chairman to conclude that an illegal or unethical behavior or fraud or violation of the Code has been committed he shall recommend to the Management of the Company or the Board of Directors to take such disciplinary or corrective action as he may deem fit and the decision of the Management / Board of Directors shall be final.

## 9. PROTECTION

- 9.1 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 behaviour 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. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 9.2 The identity of the Whistle Blower shall be kept confidential.

- 9.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

#### **10. ACCOUNTABILITIES - WHISTLE BLOWERS**

- a) Bring to early attention of the Company any improper practice they become aware of Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- b) Avoid anonymity when raising a concern
- c) Follow the procedures prescribed in this policy for making a Disclosure
- d) Co-operate with investigating authorities, maintaining full confidentiality
- e) The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty disclosures. Malicious allegations by employees may attract disciplinary action
- f) A whistle blower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation

#### **11. ACCOUNTABILITIES - INVESTIGATOR**

- a) Conduct the enquiry in a fair, unbiased manner
- b) Ensure complete fact-finding
- c) Maintain strict confidentiality
- d) Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom
- e) Recommend an appropriate course of action - suggested disciplinary action, corrective action and preventive measures
- f) Minute Committee deliberations and document the final report

#### **12. RIGHTS OF A SUBJECT**

- 12.1 The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may or may not support the conclusion of the Investigator that an improper or unethical act was committed.
- 12.2 Subjects have right to be heard and the Investigator must give adequate time and opportunity for the subject to communicate his / her say on the matter

- 12.3 Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry / investigation process

### 13. REPORTING

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

### 14. RETENTION OF DOCUMENTS

The Company shall retain all Protected Disclosures in writing or documented along with the results of the concerned investigation for a period of five years.

### 15. POLICY DISCLOSURE / COMPANY'S POWERS TO AMEND

1. This Policy is displayed on the website of the Company: - [www.octaware.com](http://www.octaware.com) for information of the Directors and Employees and as required by the Listing Agreement and Companies Act, 2013 and will be updated from time to time based on amendments.
2. The Company is entitled to amend, suspend or rescind this policy at any time subject to the provisions of the applicable regulations or law. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.

### FORMAT FOR WHISTLE BLOWING

Date:

Name of the Whistle Blower:

Employee ID No of Whistle Blower: (where applicable)

Email id of the Whistle Blower:

Communication address:

Contact No.

Name and Particulars of the Subject:

Brief about the concern: Attached Separately

Signature of the Whistle Blower:

For Office Use: Registered Number of Protected Disclosure:

## ANNEXURE

### 1. Illustrative List of Concerns that can be raised under the Whistle Blower Policy:

- Misappropriation / stealing of Company's monies and assets.
- Deliberate / Intentional excess payments to creditors
- Collusion with dealers resulting in bad debts/excess unauthorised credit notes
- Collusion with vendors resulting in acceptance of sub-standard materials or goods or services or passing of bills without receipt of materials / goods / services
- Passing on or leaking classified / confidential information, intellectual property data to competitors or third parties not authorised by the Company
- Undue inducements / favours (other than customary festival gifts, lunch / dinner / refreshments) taken from vendors / dealers / service providers / consultants / business associates
- Internal Control System gaps which may lead to serious misappropriation
- Compromising safety systems established in place of work
- Falsification of records especially financial statements / books of accounts

### 2. Illustrative List of Concerns that cannot be raised under the Whistle Blower Policy:

- Personal grievances like non-grant of leave, working conditions, remuneration issues or a tough superior.
- Inter personnel issues or personal disputes with co-employees
- Favouritism
- Work place discipline
- Issues that are dealt by other specific policies / rules e.g. harassment, insider trading, work-place grievance etc.
- Concerns merely based on gossip / rumours.