

ADVANCE MULTITECH LIMITED

WHISTLE BLOWER/VIGIL MECHANISM POLICY

Vigil Mechanism (Whistle Blower Policy)

1. PREFACE

- 1.1 The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
- 1.2 The Company is committed to developing a culture where it is safe for all Employees and Directors to raise concerns about any irregularity, unethical practice and/ or misconduct.
- 1.3 The purpose of this policy is to provide a framework to promote a responsible and secure Whistle Blowing and to protect directors/employees wishing to raise a concern about serious irregularities within the Company.
- 1.4 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. COMPLIANCES

- 2.1 Section 177 of the Companies Act, 2013 read with Rules 7 of The Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, requires every listed Company and a company which accepts deposits from the public or a company which has borrowed money from banks and public financial institutions in excess of Rs. 50 Crores to establish a Vigil Mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
- 2.2 Further, the Companies which are required to constitute an Audit Committee shall oversee the Vigil Mechanism through the committee and if any of the members of the committee have a conflict of interest in a given case, they should rescue themselves and the others on the committee would deal with the matter on hand.

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2.3 Accordingly, in compliance with the provisions of the Companies Act, 2013, the Company being a responsible corporate has proposed to establish and formulate a Vigil Mechanism (Whistle Blower Policy).

3. OBJECTIVES OF VIGIL MECHANISM

- 3.1 To encourage employees to bring ethical and legal violations they are aware of to an internal authority so that action can be taken immediately to resolve the problems.
- 3.2 To minimize the company's exposure to the damage that can occur when employees circumvent internal mechanisms.
- 3.3 To ensure adequate protection to the Whistle Blowers.

4. SCOPE OF MECHANISM

This policy will apply to all units/offices of the Company. The policy applies regardless of the jurisdiction in which the wrongdoing occurs or is suspected to have occurred, or whether or not such wrongdoing or suspected wrongdoing occurs in the country.

5. ELIGIBILITY

All Directors and Employees of the Company are eligible to make protected Disclosures under this Mechanism. The protected Disclosures may be in relation to matters concerning the Company.

6. DEFINITIONS

The definitions of some of the key terms used in the policy are given below.

- 6.1 **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of Companies Act, 2013.
- 6.2 **“Code”** means **Advance Multitech Limited** Code of Conduct, if any adopted by the Company as amended from time to time.
- 6.3 **“Company”** means **Advance Multitech Limited**.
- 6.4 **“Competent Authority”** means (i) Chairman of Audit Committee of Advance Multitech Limited in case the Subject is a Board Level Employee of the Company and (ii) Managing Director in case the Subject is below Board Level employee and will include any person(s) to whom powers are delegated by them as the Competent Authority under this policy from time to time.

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- 6.5 **“Disciplinary Action”** means any action that can be taken on the completion of/ during the investigation proceedings including but not limited 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.
- 6.6 **“Employee”** means every employee of the Company including the Directors in the employment of the Company.
- 6.7 **“Improper Activity”** means unethical behavior, actual or suspected fraud or violation of the company’s general guidelines on conduct or ethics policy by any employees of Advance Multitech Limited and includes matter specified under Clause 9 of this policy.
- 6.8 **“Investigator”** means those persons authorized, appointed, consulted or approached by Competent Authority in connection with conducting investigation into a Protected Disclosure and include internal Auditors of Advance Multitech Limited.
- 6.9 **“Protected Disclosure”** means any communication made by an Employee in good faith that discloses or demonstrates information of any unethical, illegal or Improper Activity or behavior on part of another employee (s) of the Company.
- 6.10 **“Subject”** means an employee against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- 6.11 **“Whistleblower”** means an employee or Director making a Protected Disclosure under this Policy.

7. GUIDING PRINCIPLES

- 7.1 Protected Disclosure shall be acted upon in a time bound manner.
- 7.2 Complete confidentiality of the Whistle Blower will be maintained.
- 7.3 The Whistle Blower and/or the persons(s) processing the Protected Disclosure will not be subject to victimization.
- 7.4 Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.

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- 7.5 'Subject' of the Protected Disclosure i.e., Employees against or in relation to whom a protected disclosure has been made will be provided an opportunity of being heard.
- 7.6 The Whistle Blower should bring to attention of the Competent Authority at the earliest any Improper Activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.
- 7.7 The Whistle Blower shall co-operate with the investigating authorities in maintaining full confidentiality.

8. ROLE OF WHISTLE BLOWER

- 8.1 The Whistle Blower's role is that of a reporting party with reliable information.
- 8.2 He/she is not required or expected to conduct any investigation on his own, nor will he/she have a right to participate in any investigative activities other than as decided by the Investigator /Competent Authority.
- 8.3 Protected Disclosure will be appropriately dealt with by the Competent Authority in accordance with the procedure set out in this policy.
- 8.4 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

9. REPORTABLE MATTERS

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

- i. Abuse of authority;
- ii. Breach of Contract;
- iii. Breach of Companies code of conduct;
- iv. Breach of Business Integrity and Ethics;
- v. Negligence causing substantial and specific danger to public health and safety;
- vi. Manipulation of Company data/records;
- vii. Financial irregularities, including fraud, or suspected fraud, bribery;
- viii. Pilferation of confidential/proprietary information;
- ix. Deliberate violation of law/regulation and illegality;
- x. Corruption & bribery;
- xi. Wastage/misappropriation of company funds/assets;
- xii. Breach of Code of Conduct or Rules;
- xiii. Insider Trading, Unfair Trade Practices & anti-competitive behavior;

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- xiv. Sexual harassment;
- xv. Health and Safety, environmental issues;
- xvi. Any other unethical, biased, favored, imprudent event;
- xvii. Any offence of Material Nature;

10. MANNER IN WHICH CONCERN CAN BE RAISED

- 10.1 Employees can make Protected Disclosure to the Competent Authority, as soon as possible but not later than 30 days after becoming aware of the same.
- 10.2 Protected Disclosure shall be reported in writing so as to ensure a clear understanding of the issues raised and should be either typed or written in a legible handwriting in English or Hindi. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- 10.3 All Protected Disclosures shall be made along with a covering letter which shall bear the identity of the Whistle Blower such as his/her name and address.
- 10.4 All Protected Disclosures against below Board level employees shall be addressed to the Managing Director of the Company in a closed/sealed envelope and should be **super scribed** “**Protected Disclosure**” at the following address.

The Managing Director/Chief Executive Officer/Chairman/CMD
Advance Multitech Limited
36, Kothari Market,
Kankaria Road- 382405
Ahmedabad, Gujarat, India

- 10.5 All Protected Disclosures received by the Managing Director shall be opened only by him. He shall detach the covering letter which would be kept under safe custody and nominate/appoint the Investigator officer for screening and further investigation.
- 10.6 All Protected Disclosures against Board level employees shall be addressed to the Chairman, Audit Committee in a closed/sealed envelope and should be **super-scribed** “**Protected Disclosure**” at the following address.

The Managing Director/Chief Executive Officer/Chairman/CMD
Advance Multitech Limited
36, Kothari Market,
Kankaria Road- 382405
Ahmedabad, Gujarat, India

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- 10.7 The Chairman Audit Committee, will nominate/appoint an Investigator and forward the Protected Disclosure to such Investigator for screening and investigation after detaching the covering letter containing the identity of the Whistle Blower.
- 10.8 In order to protect the identity of Whistle Blower (s) no acknowledgement will be issued and Whistle Blower (s) are advised not to enter into any further correspondence in their own interest.

11. ENQUIRY MECHANISM

- 11.1 All Protected Disclosures will be recorded by person nominated by Competent Authority for screening and investigation. If initial enquiries indicate that the concern has no basis, or it is not a matter to be pursued under this policy, it may be dismissed at this stage with the approval of Competent Authority and decision will be documented.
- 11.2 Where initial enquiries indicate that further investigation is necessary this will be carried in an independent and unbiased manner. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of professional standards.
- 11.3 The decision to conduct an investigation into a Protected Disclosure by itself is not an acceptance of the accusation and is to be treated as a neutral fact- finding process because the outcome of the investigation may or may not support accusation.
- 11.4 Unless there are compelling reasons not to do so, Subjects will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a subject shall be considered as maintainable unless supported by evidence.
- 11.5 Subject(s) shall have a duty to co-operate with the Investigator(s) during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- 11.6 Subjects shall have right to access any document/information for their legitimate need to clarify/defend themselves in the investigation proceedings and also right to be informed of the outcome of the investigation.
- 11.7 Subject(s) 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 subject(s).
- 11.8 The Investigator shall normally complete the investigation within 90 days of reference and submit his/her report.
- 11.9 In case the Protected Disclosure is proved, The Competent Authority shall take such Disciplinary Action as it may think fit and take preventive measures to avoid reoccurrence of the such Improper Activity;
- 11.10 After Completion of the investigation, the Whistle Blower will be informed of the major findings and action taken/contemplated to be taken against the Subject.

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- 11.11 In cases, where the Whistle Blower is not satisfied with the findings of the Investigation or the action taken, he/she may approach the Chairman of the Audit Committee at the following address within 30 days of decision.

The Chairman, Audit Committee
C/o Managing Director
Advance Multitech Limited
36, Kothari Market,
Kankaria Road- 382405
Ahmedabad, Gujarat, India

12. NON-RETALIATION/ PROTECTION

- 12.1 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 victim. Complete protection will, therefore, be given to victim 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 victim 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 victim is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the victim to receive advice about the procedure, etc.
- 12.2 The identity of the Whistle Blower shall be kept confidential to the extent possible. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of Investigator/Competent Authority.
- 12.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

13. DISQUALIFICATIONS

- 13.1 While this Policy is intended to protect genuine Whistle Blower from any unfair treatment as a result of their disclosures, misuse of this protection by making frivolous and bogus complaints with malafide intentions is strictly prohibited. Employees who makes complaints with malafide intentions and which are subsequently found to be false will be subject to strict disciplinary action including disqualification from reporting further Protected Disclosure under this Policy.

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13.2 Protection under this Policy would not mean protection from disciplinary action for making allegations which are found to be false or bogus or with mala-fide intention.

14. REPORTING AND REVIEW

14.1 The Competent Authority shall submit a quarterly report of the Protected Disclosures, received and of the investigation conducted, and of the action taken to the Audit Committee of the Company.

14.2 The Audit Committee shall have power to review any action or decision taken by the Competent Authority.

15. DISPLAY

All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. The Vigil Mechanism (Whistle Blower Policy) shall also be uploaded on the Company's website www.advancemulti.in

16. ANNUAL AFFIRMATION

The Company shall annually affirm that it has not denied any employee access to the Audit Committee and that it has provided protection to the Whistle Blower from adverse action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

17. AMENDMENTS

The Company reserves its rights 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 Employees and Directors unless the same is notified to them in writing.
