



## VIGIL MECHANISM/ WHISTLE BLOWER POLICY

## **INTRODUCTION**

Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 along with Regulation 22 of SEBI (LODR) Regulations, 2015 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report to the management their genuine concerns, including instances of unethical behavior, actual or suspected fraud or violation of the law and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

Accordingly, the Whistle Blower Policy has been formulated and noted by the Board of Directors of the Company at its Board meeting held on September 27, 2014 and thereafter modified as and when required with a view to providing a mechanism for the Directors / Employees of the Company to approach the designated persons /Chairman of the Audit Committee of the Company to, inter alia, report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or policy without fear of punishment or unfair treatment.

## **BYKE'S BELIEF AND PHILOSOPHY**

The Byke Hospitality Limited ("The Company") believes in the conduct of the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. The company is committed to developing and maintaining a culture where all employees are encouraged to raise concerns about any unacceptable practice and any event of misconduct or violation of law in force without fear of punishment or unfair treatment.

## **APPLICABILITY**

This policy applies to:

- Directors;
- Employees of the Company;
- Employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location;
- Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company;
- Customers of the Company;
- Any other person having an association with the Company;
- Members of public to report any improper or misconduct, wherever it is relevant.

The whistleblowing policy is intended to cover serious concerns that could have a large/material impact on the Company such as:

- (i) suspected action,
- (ii) incorrect financial reporting,
- (iii) actions which are not in line with the Company's policy,
- (iv) unlawful actions,
- (v) fraud and

(vi) Any other actions which are not legal and will have an impact on the performance and image of the Company.

## **POLICY OBJECTIVE**

**BYKE HOSPITALITY LIMITED** is committed to ensuring that all its employees work in a conducive environment and are given a platform to freely express their concerns or grievances to the management on various matters pertaining to any malpractice, actual / suspected fraud, violation of the Company's Code of Conduct, instances of leakage of Unpublished Price Sensitive Information, breach of any policy, abuse of power and authority by any official of the Company or any other act with an intention of unethical personal gain or to cause damage to the organization or its employees, etc.

## **DEFINITIONS**

### **1. Adverse Personnel Action**

An employment related act or decision or a failure to take appropriate action by managerial personnel which may affect the employee's employment, including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves, and training or other privileges.

### **2. Alleged Wrongful Conduct**

Alleged Wrongful Conduct shall mean a violation of law, infringement of Company's Code of Conduct or ethnic policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

### **3. Audit Committee**

Audit Committee shall mean a Committee of Board of Directors of the Company, constituted in accordance with provisions of section 177 of Companies Act, 2013 read with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **4. Company**

Company means, The Byke Hospitality Limited.

### **5. Compliance Officer**

Compliance Officer means, Company Secretary of the Company.

### **6. Good Faith**

An employee shall be deemed to be communicating in 'good faith' if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

### **7. Managerial Personnel**

Managerial Personnel shall include Director, all Executives at the level of Manager and above, who has authority to make or materially influence significant personnel decisions.

## 8. Whistle Blower / Complainant

An employee of the Company who discloses in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or in case it involves Managerial Personnel to the Managing Director and in exceptional cases to the Audit Committee in writing. The Whistle Blower's role is as a reporting party, he/she is not an investigator. Although the Whistle Blower is not expected to prove the truth of an allegation, he needs to demonstrate to the Audit Committee, that there are sufficient grounds for concern.

## INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or any other SEBI Regulation(s) as amended from time to time.

## GUIDELINES

### 1. Internal Policy & Protection under Policy

This Policy is an internal policy on disclosure by employees of any unethical and improper practices or wrongful conduct and access to the Head of Department or in case it involves Senior Managerial Personnel access to the Managing Director and in exceptional cases access to the Chairman of the Audit Committee of Directors constituted by the Board. This Policy prohibits the Company to take any adverse personnel action against its employees for disclosing in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or to the Managing Director or to the Audit Committee. Any employee against whom any adverse action has been taken due to his disclosure of information under this policy may approach the Audit Committee.

### 2. Safeguards

**Harassment or Victimization:** Harassment or victimization of the complainant will not be tolerated and could constitute sufficient grounds for dismissal of the concerned employee.

**Confidentiality:** Confidentiality of whistle-blower shall be maintained to the greatest extent possible. Every effort will be made to protect the whistle blower's identity, subject to legal constraints.

**Malicious Allegations:** Malicious allegations by employees may result in disciplinary action.

**False Allegation & Legitimate Employment Action:** An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this policy may not be used as a defense by an employee against whom an adverse personnel action has

been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

**Disclosure:** An employee who observes or notices any unethical & improper practices or alleged wrongful conduct in the Company may report the same to the Head of Department or in case it involves Managerial Personnel to the Managing Director and in exceptional cases to Audit Committee.

#### **PROCEDURE FOR MAKING A DISCLOSURE AT BYKE:**

All disclosures are to be channeled in accordance with the procedures and guidelines as provided in this policy.

All disclosures relating to financial reporting, unethical & improper practices or alleged wrongful conduct should be addressed to the Head of Department or in case it involves Managerial Personnel to the Managing Director and in exceptional cases to the Audit Committee within a period of 45 consecutive calendar days after becoming aware of the same.

The Departmental Head shall immediately forward Whistle Blower Report to the Managing Director of the Company. The Managing Director may inquire in respect of the Whistle Blower Policy Report and after preliminary inquiry, if required, shall report the same to the Audit Committee.

Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower.

The disclosure should be accompanied with a covering letter mentioning the identity of the Whistleblower. The Managing Director shall detach the covering letter and only forward the written disclosure received for further enquiry or investigation.

The Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, Audit Committee, if the circumstances so suggest, may appoint a senior executive or a committee of managerial personnel to investigate into the matter and prescribe the scope and time limit therefore.

The Audit Committee or officer or committee of managerial personnel, as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.

A report shall be prepared after completion of investigation and the Audit Committee shall consider the same. After considering the report, the Audit Committee shall determine the cause of alleged Adverse Personnel action and may order for appropriate course of action, which may inter-alia, include:

- a. Order for an injunction to restrain continuous violation of this policy;
- b. Reinstatement of the employee to the same position or to an equivalent position;
- c. Order for compensation for lost wages, remuneration or any other benefits, etc.

d. Disciplinary action, including dismissal, if applicable, as well as preventive measures for the future.

In exceptional cases the Whistle Blower shall be provided direct access to the Chairman of the Audit Committee.

All disclosures made under this policy will remain confidential except as required in the course of investigation or any disclosure made pursuant to the law of the land; proper investigation will be carried out with regard to them.

## **INVESTIGATION**

Investigation should be conducted in a fair, transparent and unbiased manner.

All allegations on the concerned person/employee shall be communicated to him directly and clearly. The concerned person/ employee should be given an opportunity of being heard.

Outcome of the Investigation shall be communicated in writing to the concerned person/employee.

## **PROTECTION TO THE WHISTLE BLOWER**

No adverse action shall be taken or recommended against an employee in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This policy protects such employees from unfair termination and unfair prejudicial employment practices. However, this policy does not protect an employee from an adverse action which occurs independently of his disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this policy.

## **DECISION**

If the Audit Committee concludes that an act is improper, unethical or wrongful, the Audit Committee shall recommend to the Management or the Board of Directors of the Company to take disciplinary action.

## **RETENTION**

All disclosures in writing as well as documents related to investigation and enquiry including results therefrom shall be retained for a minimum period of seven years.

## **AMENDMENT**

The Company reserves the 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 employees unless the same is notified to the employees by posting it on the Company's website ([www.thebyke.com](http://www.thebyke.com)).