

CANARYS AUTOMATIONS LIMITED

(formerly known as Canarys Automations Private Limited)



WHISTLE BLOWER POLICY

I. PREFACE:

1. Canarys Automations Limited (formerly known as Canarys Automations Private Limited) (hereinafter referred to as “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. Any actual or potential violation of the Companies Policies or applicable laws are not recognized and addressed promptly, both the Company and the persons working for or with the Company can face governmental investigation, prosecution, fines, and other penalties that can be a costly affair and which may adversely impact the reputation of the Company.
2. Section 177(9) of the Companies Act, 2013 (the Act) mandates the following classes of companies to constitute a vigil mechanism –
 - Every listed company;
 - Every company which accepts deposits from the public
 - Every company which has borrowed money from banks and public financial institutions in excess of ₹ 50 crore.
3. The Audit Committee shall review the functioning of the Whistleblower mechanism, atleast once in a financial year.
4. The objective of Whistle Blower Policy is to build and strengthen a culture of transparency and trust in the organization and to provide employees with a framework / procedure for responsible and secure reporting of improper activities

(whistle blowing) within the company and to protect employees wishing to raise a concern about improper activity/ serious irregularities within the Company.

5. The policy does not absolve employees from their duty of confidentiality in the course of their work. It is also not a route for taking up personal grievances.

II. DEFINITIONS:

1. “Audit Committee” or “Committee” means, the committee of the Board of Directors of the Company constituted under Section 177 of the Companies Act, 2013 and the rules made thereunder which shall include any modification or amendment thereof.
2. “Alleged Wrongful Conduct” means violation of applicable laws or of Company’s code of conduct or ethic policies, mismanagement of money, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority or any illegal act(s).
3. “Compliance Officer or Vigilance Officer” means the company secretary of the Company who may be designated as the Compliance Officer under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 or such other person authorized by the Board from time to time.
4. “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.
5. “Employee(s)” means employee(s) of the Company, its subsidiary companies and associate companies (whether working in India or abroad).

6. “Fact Finder” shall mean, the person(s) or outside entity agency appointed by the chairperson of the Audit Committee to investigate a Protected Disclosure.
7. “Managerial Personnel / Managers” shall include all employees at the level of manager and above, who have the authority to make or influence significant employment decisions.
8. “Policy or “This Policy” means, the “Whistleblower Policy.”
9. “Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
10. “Subject” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
11. “Stakeholders” means and includes vendors, suppliers, lenders, customers, business associates, trainee and others with whom the Company has any financial or commercial dealings.
12. “Whistleblower” means an Employee or director or any stakeholder making a Protected Disclosure under this Policy.

III. SCOPE:

The Policy is applicable to all the employees, consultants (part time, full time and temporary employees) of the Company and its subsidiary companies and its associate companies under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, whether in India or out of India and any such persons as mentioned above are required to report to the Company any suspected violation of any law that applies to the Company and its subsidiary

companies and its associate companies and any suspected violation of the Company's code / rules of conduct.

IV. ELIGIBILITY:

All Employees, Directors and stakeholders of the Company are eligible to make Protected Disclosures under the Policy.

V. SAFEGUARDS:

The Company shall ensure that no adverse action being taken or recommended against the Whistle blower/ Complainant in retaliation to his disclosure of any unethical and improper practices or alleged wrongful conduct. This Policy protects such director(s) and employee(s) from unfair termination, harassment and unfair prejudicial employment practices. Any abuse of this protection will warrant disciplinary action.

VI. DISQUALIFICATION:

1. Genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
2. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.
3. The Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action including reprimand against Whistleblowers who

make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith.

VII. GUIDING PRINCIPLES:

1. All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
2. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s).
3. Ensure confidentiality.
4. Restrict to conceal evidence of the Protected Disclosure.
5. Take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure made/to be made.
6. This Policy may not be used as a defence by an employee against whom an adverse action has been taken independent of any disclosure of intimation by him and for legitimate reasons or cause under the Company's rules and policies.
7. Subject of the Protected Disclosure i.e. person against or in relation to whom a protected disclosure has been made, is provided an opportunity of being heard.

VIII. PROTECTION TO WHISTLE-BLOWER:

1. If a Whistle-blower / complainant raises any concern under this Policy, he / she will not be at a risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner, risk of losing her/his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct

the Whistle-blower's right to continue to perform his/ her duties/ functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available provided that:

- i. Disclosures made in good faith.
 - ii. the Whistle-blower consider that information, and any allegations contained in it, are substantially true; and
 - iii. the Whistle-blower is not acting for any personal gain
2. Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.
3. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law.
4. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle-blower.
5. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle-blower.

IX. DUTIES & RESPONSIBILITIES:

1. Whistle-Blower:

- a) Maintain confidentiality of the subject matter of the disclosure and the identity of the persons involved in the alleged Improper Practice. It may forewarn the subject and important evidence is likely to be destroyed,
- b) Protected Disclosure will be appropriately dealt with by the competent authority.
- c) The Whistle Blower is not required or expected to conduct any investigations on his own.
- d) Co-operate with the investigating authorities and report reliable information.

2. Audit Committee & Chairperson of the Audit Committee:

- a) Conduct the enquiry in a fair, unbiased manner;
- b) Maintain Confidentiality.
- c) Recommend an appropriate course of action, suggest disciplinary action, including dismissal, and preventive measures.
- d) Ensure complete Fact-Finding

3. Compliance Officer:

The Compliance Officer shall facilitate all assistance to the Audit Committee and its chairperson to conduct the investigation against any complaint under this Policy, will assist the Chairperson of the Audit Committee in holding any enquiry and in finalisation of the Fact Finder and in reporting to the Board of Directors of the Company for the reports under this Policy.

X. PROCEDURE FOR REPORTING AND INVESTIGATIONS:

- 1. All Protected Disclosures concerning financial/accounting matters should be made in writing by email addressed to the Chairman of the Audit Committee of the Company for investigation.

2. The contact details for reporting to the Audit Committee and in exceptional cases to the Chairperson of the Audit Committee is as under: Email Id: murli@sounding-board.in.
3. 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 and the urgency of a preliminary investigative procedure.
4. There is no specific format for submitting a Protected Disclosure, the following details must be mentioned:
 - i. Name, address and contact details of the Whistle-blower
 - ii. Brief description of the Improper Practice, giving the names of those alleged to have committed or about to commit an Improper Practice. Specific details such as time and place of occurrence are also important.
 - iii. In case of letters, the Protected Disclosure should be sealed in an envelope marked “Whistle-blower” and addressed to the Chairperson of Audit Committee.
 - iv. In case of e-mail, the Protected Disclosure should be marked “Confidential” and the subject line should contain “Whistle-blower” and addressed to the Chairperson of Audit Committee.
5. The Chairperson of Audit Committee shall acknowledge the receipt of the Protected Disclosure as soon as practically possible (preferably within 07 working days of receipt of a Protected Disclosure), where the Whistle-blower has provided his/her contact details.

6. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit committee.
7. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
8. In the event, if any member of the Committee has a conflict of interest in a given case, they will recuse themselves and the others on the Committee would deal with the matter on hand.
9. The Subject will be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation. The Subject may be informed of the outcome of the inquiry/ investigation process.
10. The investigation may involve the study of documents and interviews with various individuals. All Individuals should provide their co-operation for such investigations.
11. If the Improper Practice constitutes a criminal offence, the Audit Committee will bring it to the notice of the Executive Chairman and take appropriate action.
12. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.
13. The Chairperson of the Audit Committee will make a detailed written record of the Protected Disclosure which will include the following-
 - i. Facts of the matter
 - ii. Whether the same Protected Disclosure was raised previously by anyone and if so, the outcome thereof.
 - iii. Whether the financial / otherwise loss which has been incurred / would have been incurred by the Company.

iv. Findings of the investigation carried out by the Fact Finder/ Chairperson of the Audit Committee

v. Recommendations of the Chairperson of the Audit Committee.

XI. DECISION:

If an investigation leads the CEC / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Management shall recommend appropriate disciplinary or corrective action to the Chairman of the Audit Committee for his consideration and approval. 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.

XII. DOCUMENTATION & RETENTION:

1. A report shall be prepared after completion of investigation and the Chairperson of the Audit Committee shall document the same. All discussions of the proceedings would also be documented and the final report shall be prepared subsequently. The decision of Chairperson of the Audit Committee shall be final and binding.
2. All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept in accordance with the Company's record retention policy and applicable law.

XIII. CONFIDENTIALITY:

1. Maintain complete confidentiality / secrecy in the matter, not discuss the matter in any informal, social gatherings and meetings.

2. Secure all documents, electronic mails under password.
3. Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
4. In the event if Management realises that if anyone is not complying with the above he/ she shall be held liable for such disciplinary action as is deemed fit by the Management.

XIV. AMENDMENTS:

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever subject to applicable laws and the recommendation of the Audit Committee. The Board 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.

XV. GENERAL:

This policy adopted by the Board at their meeting held on 11.08.2023 This policy is adopted based on the existing provisions, laws, rules and regulations. Any change in regulatory provisions, rules, and regulations from time to time, the amended provisions shall prevail upon the corresponding provision of this policy from the effective date of such changes in the provisions.
