

BN HOLDINGS LIMITED

(Formerly Arihant Tournesol Limited)

Whistle Blower Policy / Vigil Mechanism

(Pursuant to Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015)

(As Amended on 1st December, 2015)

1. **PREFACE:**

BN Holdings Limited (Formerly Arihant Tournesol Limited (“the Company”) is committed to conduct its business by adopting the highest standards of professional integrity and ethical behavior and comply with all the regulatory requirements under the laws and regulations prevailing from time to time. The vigil mechanism or Whistle Blower Policy (“the Policy”) is a mechanism to reinforce implementation of the Company’s Code of Conduct which encourages all concerned to take positive actions which not only commensurate with the Company’s values and beliefs, but are also perceived to be so.

Section 177 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation, 2015”), mandates the Company to establish a vigil mechanism or Whistle Blower Policy for Directors and employees to report genuine concerns. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects the Stakeholders, Directors and Employees wishing to raise a concern about serious irregularities within the Company.

2. **PURPOSE:**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. This policy aims to provide an avenue for employees to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. and also to provide direct approach to the Chairperson of the Audit Committee of the Company in exceptional Circumstances.

3. **POLICY**

The Whistle Blower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. This Policy is not, however, intended to question financial or business decisions taken by the Company that are not Reportable Matters nor should it be used as a means to reconsider any matters which have already been addressed pursuant to disciplinary or other internal procedures of the Company. Further, this Policy neither releases employees from their duty of confidentiality in the course of their work, nor it is a route for taking up a grievance about a personal situation or not intended to cover career related grievances.

4. **DEFINITIONS:**

4.1 “**Audit Committee**” means the Committee constituted by the Board of Directors of the Company in accordance with section 177 of the Companies Act, 2013 and the rules framed thereon and read with Listing Regulations, 2015.

4.2 “**Alleged Wrongful Conduct**” shall include violation of law or the Code, infringement of Company’s rules, unethical or improper activity, misappropriation of monies or assets of the Company, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

4.3 “**Board**” means the Board of Directors of the Company.

- 4.4 **“Company”** means BN Holdings Limited (Formely Arihant Tournesol Limited)
- 4.5 **“Disciplinary Action”** means any action that can be taken on the completion of or 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.
- 4.6 **“Employee”** means all the present employees and whole time directors of the Company (whether working in India or abroad).
- 4.7 **“Protected Disclosure”** means a concern raised by the Whistle Blower, through a written communication made in good faith in terms of this Policy which discloses or demonstrates information about an Alleged Wrongful Conduct with respect to the Company and which should be factual and not speculative or in the nature of an interpretation or conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 4.8 **“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 on 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
- 4.9 **“Vigilance and Ethics Officer”** means an officer appointed by the Company 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.
- 10 **“Whistle Blower”** is an Employee or group of Employees or Directors of the Company who make a Protected Disclosure under this Policy and also referred to in this Policy as Complainant.
- 4.12 **“Subject”** 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.
- 4.13 **“Policy or This Policy”** means, “Whistleblower Policy or vigil mechanism.”

5. **ELIGIBILITY:**

- 5.1 All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.
- 5.2 Further all Directors (whether executive or non-executive) are entitled to use the mechanism established by this Policy and contribute in the well-being of the Company.

6. **COVERAGE OF POLICY:**

The Policy covers, including but not limited to, malpractices and events which have taken place or suspected to take place involving the following:

- a. Abuse of authority or fraud.
- b. Breach of Contract and business Ethics.

- c. Negligence causing substantial and specific danger to public health and safety
- d. Manipulation of company data/records
- e. Financial irregularities, including fraud or suspected fraud or deficiencies in Internal Control or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
- f. Any unlawful act whether Criminal or Civil
- g. Pilferation of confidential or propriety information
- h. Deliberate violation of law or regulations
- i. Manipulation of company data/records
- j. Mismanagement, Wastage or misappropriation of company funds or assets
- k. Breach of Company Policy or failure to implement or comply with any approved Company Policy
- l. Any other unethical, biased, favour, imprudent event, etc.
- m. Sexual Harassment related complaints.

7. **GUIDELINES:**

7.1 Reporting Mechanism:

- 7.1.1 Protected Disclosures are to be made whenever an employee becomes aware of a Reportable Matter. The Protected Disclosure should be made promptly upon the Employee becoming aware of the Reportable Matter.
- 7.1.2 Protected 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 Whistle Blower.
- 7.1.3 The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee or vigilance and Ethics Officer, as the case may be shall detach the covering letter and forward the Protected Disclosure.
- 7.1.4 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.
- 7.1.5 Investigations will be launched only after a preliminary review which establishes that:
 - the alleged act constitutes an improper or unethical activity or conduct, and
 - either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.
- 7.1.6 For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/her identity in the covering letter forwarding Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistle Blowers.

- 7.1.7 While there is no specific format for submitting a Disclosure, the following details must be mentioned:
- a. Name, address and contact details of the Whistle Blower.
 - b. Brief description of the Malpractice, giving the names of those alleged to have committed or about to commit a Malpractice. Specific details such as time and place of occurrence are also important.
 - c. In case of letters, the disclosure should be sealed in an envelope marked "Whistle Blower" and addressed to the Audit Committee.
- 7.1.8 Moreover, in exceptional cases, Whistleblower has a right to make Protected Disclosures directly to the Chairman of the Audit Committee as follows:

7.2 Investigation:

- 7.2.1 All Protected Disclosures under this policy will be recorded and thoroughly investigated. The vigilance and Ethics Officer or the Chairman of Audit Committee may investigate and may at its discretion consider involving any other officer of the Company and/ or an outside agency for the purpose of investigation.
- 7.2.2 The decision to conduct an investigation by itself is not an accusation and is to be treated as a neutral fact finding process. It would be conducted in a fair manner and without presumption of guilt.
- 7.2.3 Subject(s) will be informed of the allegations and will be given an opportunity of being heard and shall co-operate with the Audit Committee or any of the officers appointed by it in this regard during the investigation.
- 7.2.4 Subject(s) have a right to consult with a person or persons of their choice, other than the members of the Audit Committee and
- 7.2.5 Any complaint by or against Senior Management and Ethics Officer will be investigated as directed by the Audit Committee.

7.3 Decision:

- 7.3.1 If an investigation leads to a conclusion that an improper or unethical act has been committed, the Vigilance and Ethics Officer or Audit Committee shall recommend to the Board to take such disciplinary action or corrective action as it may deem fit and take preventive measures to avoid reoccurrence of the matter;
- 7.3.2 In case the Protected Disclosure is not proved, the Complainant shall be subject to appropriate Disciplinary Action in accordance with the rules, procedures and policies of the Company.

7.4 Protection of Whistleblower:

- 7.4.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his or her having reported a Protected Disclosure under this Policy.
- 7.4.2 The identity of the Whistle Blower shall be kept confidential. A Whistle-Blower may make a Protected Disclosure without fear of retaliation or intimidation. The Company prohibits its Employees from engaging in retaliation or intimidation that is directed against a Whistle Blower. Employees who engage in retaliation or intimidation in violation of this Policy will be subject to disciplinary action, which may include dismissal.

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

8. CONFIDENTIALITY:

The Complainant, vigilance and Ethics Officer or members of the Audit Committee and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and access to the papers will be restricted to the members or Chairman of Audit Committee. The Disclosures and any resulting investigations, reports or resulting actions will not be disclosed except as required by any legal requirements or regulations.

9. 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 period of 8 years or such other period as specified by the applicable law in force, whichever is more.

10. GENERAL:

11.1 The Board and Audit Committee reserves right to amend or modify this Policy in whole or in part, as may be thought fit from time to time in their absolute discretion as far as it is not in contravention with the provisions of the Applicable Law.

11.2 In case of any inconsistency between any of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the Companies Act, 2013 and this Policy or in case of any omission of any of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the Companies Act, 2013 in this Policy, the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 / the Companies Act, 2013, as amended shall prevail or be applicable, as the case may be.

11. DISCLOSURE:

The details of establishment of this Policy would be disclosed on the Company's website www.bn-holdings.com
