

JAIN FARM FRESH FOODS LTD

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

1. Preface

- a) 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 behaviour. Towards this end, the Company has adopted the Code of Conduct / Ethic (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of officers/staff in pointing out such violations of the Code cannot be undermined. There is a provision under the Code requiring employees to report violations.
- b) The Company intends to establish a mechanism called **‘Whistle Blower Policy’** for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct or ethics policy.
- c) Accordingly, this Whistle Blower Policy (“the Policy”) has been formulated with a view to providing a mechanism for employees of the Company to approach the Ethic Counselor / Chairman of the Audit Committee.
- d) This is in addition to the non-mandatory mechanism available now to the employees of the Company

2. Definitions

The definitions of some of the key terms used in this policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

- a) “Company” - means “Jain Farm Fresh Foods Limited”
- b) “Board” means the Board of Directors of the Company.
- c) “Audit Committee” means the Audit Committee constituted by the Board of Directors.
- d) “Employee” means every Workman / Officer of the Company
- e) “Code” means the Code of Conduct / Ethics of the Company.
- f) “Ethic/Compliance Counselor” means The Head of the Vigilance Department of the Company or the Company Secretary, if such Ethic Counselor is not appointed.
- g) “Investigators” mean those persons authorized, appointed, consulted or approached by the Ethic Counselor /Audit Committee and include the Officers of Vigilance Department, auditors whether internal or statutory of the Company and the Police.
- h) “Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- i) “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.
- j) 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.
- k) “Alleged Wrongful Conduct” - Alleged Wrongful Conduct shall mean violation of law, infringement of Company’s Code of Conduct or ethic policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

- l) “Unethical and Improper Practices” Unethical and improper practices shall mean
 - i) An act which does not conform to approved standard of social and professional behaviour;
 - ii) An act which leads to unethical business practices;
 - iii) Improper or unethical conduct;
 - iv) Breach of etiquette or morally offensive behaviour, etc.
- m) “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.
- n) “Whistle Blower” means an Employee making a Protected Disclosure under this Policy.
- o) “Vigilance officer” means an officer appointed 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 and the result thereof.

3. Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 as amended from time to time.

A. POLICY OBJECTIVES

1. The basic objectives of this policy are:
 - (a) to provide a vigil mechanism and an opportunity for Directors and employees to blow whistle against and to report concerns about unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy,
 - (b) to provide an opportunity to the Directors or employees and give them an avenue to raise concerns and to access in good faith the Audit Committee,
 - (c) to maintain the highest possible standards of ethical, moral and legal business conduct and the Company’s commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company.
 - (d) to provide all necessary safeguards for protection of Directors and employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those Directors or employees as a result of the Directors’ or employees’ good faith disclosure or alleged wrongful conduct to an audit committee. Any Director or employee who discloses and subsequently suffers an adverse personal action as a result is subject to the protection of this policy.
2. The Company is committed to developing the culture where it is safe for all employees to raise concerns about any unacceptable practice and any event of misconduct.
3. 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.
4. A Vigil (whistle blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of Directors and employees to avail to the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
5. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation or with a mala fide intent.

B. THE GUIDING PRINCIPLES

1. To ensure that this policy is adhered to and to assure that the concern will be acted upon seriously the Company will;
 - 1.1 Ensure that the whistle blower and/or the person processing the protected disclosure are not victimized for doing so.

- 1.2 Treat victimization as a serious matter, including, initiating disciplinary action on such person(s).
- 1.3 Ensure complete confidentiality.
- 1.4 Not attempt to conceal evidence of the protected disclosure.
- 1.5 Take disciplinary action, if any one destroys or conceals evidence of the protected disclosure made/to be made.
- 1.6 Provide an opportunity of being heard to the persons involved especially to the subject.

C. COVERAGE OF POLICY

The policy covers the following unlawful or unethical or improper practice or activity:

- Deliberate violation of any law/regulation;
- Misuse or misappropriation of the assets of the Company;
- Gross waste or misuse or misappropriation of the Company's funds;
- A substantial and specific danger to health and safety;
- An abuse of authority;
- Breach of Company's code of conduct or rules;
- Criminal offence;
- Any other unethical, biased event.

4. Scope

- a) This policy is an extension to of the Code of Conduct / Ethic. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers provide initial information related to a reasonable belief that an alleged wrongful conduct or unethical practice has occurred.
- b) Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Ethics Counselor or the Audit Committee or the Investigators.
- c) Protected Disclosure will be appropriately dealt with by the Ethics Counselor/ Audit Committee, as the case may be.

5. Guidelines

- i) **Eligibility** - All employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

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 Audit Committee of Directors as constituted by the Board.

- ii) 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 personnel action has been taken due to his disclosure of information under this policy may approach the Audit Committee Chairman.

6. Disqualification – False Allegation & Legitimate Employment Action

- a) 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.

- b) 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.
- c) 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.
- d) Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala-fide, frivolous, baseless, and malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

7. Procedure

- i. All protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- ii. In respect of all other Protected Disclosures, those concerning the Ethics Counselor and employees at the levels of Management and above should be addressed to the Chairman of the Audit Committee of the Company and those concerning other employees should be addressed to the Ethics Counselor of the Company.
- iii. If a Protected Disclosure is received by any executive of the Company/Vigilance Department of the Company other than Chairman of the Audit Committee or Ethics Counselor, the same should be forwarded to the Ethics Counselor for further appropriate action. They must take appropriate care so that the identity of the Whistle Blower does not get divulged in the process.
- iv. 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, Marathi or in the regional language of the place of employment of the Whistle Blower.
- v. If the Protected Disclosure is received by the Chairman of the Audit Committee, he shall detach the covering letter and forward only the protected Disclosure to the Ethics Counselor of the Company for investigation.
- vi. 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.
- vii. The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure.

8. Investigation

- a) All protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Counselor /Audit Committee of the Company in accordance with the normal procedure. The Ethics Counselor /Audit Committee may at its discretion, consider the involvement of any investigators /Vigilance Department for the purpose of Investigation.
- b) The decision to conduct an investigation is not an accusation and is to be treated as a neutral fact finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- c) The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- d) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- e) Subjects shall have a duty to co-operate with the Ethics Counselor /Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- f) Subjects have a right to consult with a person or persons of their choice, save and except Ethics

Counselor / Investigators and/or the Audit Committee and/or the Whistle Blower.

- g) Subjects 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 Subjects. If he is found indulging in any such actions, will make himself liable for disciplinary actions. Under no circumstances, subjects should compel investigator to disclose the identity of the Whistle Blower.
- h) Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrong doing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- i) Subjects have a right to be informed of the outcome of the investigation.
- j) The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure. But the Chairman of the Audit Committee may extend the period of the investigation, if required.

9. Investigators

- a) Investigators are required to conduct a process towards fact-finding and analysis related to alleged improper or unethical activities. Investigators shall derive their authority and access rights from the Company/Audit Committee when acting within the course and scope of their investigation.
- b) Technical and other resources may be drawn upon as necessary to augment the investigation. All investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour and observance of legal and professional standards.
- c) Investigations will be launched only after a preliminary review either by the Ethics Counselor or Chairman of the Audit Committee, which establishes that:
 1. The alleged act constitutes an improper or unethical activity or conduct,
 2. The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or conduct.

10. Protection

- a) 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 the Whistle Blowers. Complete protection will be given to the Whistle Blowers against any unfair practice. 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.
- b) The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- c) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- d) While the Company is determined to provide appropriate protection to the genuine Whistle Blower, the employees at the same are advised to refrain from using this facility for furthering their own personal interest. If proved, appropriate disciplinary action shall be initiated against such Whistle Blowers.

11. Decision

If an investigation leads the Ethics Counselor/ Audit Committee to conclude that an improper or unethical act has been committed, the Ethics Counselor/Audit Committee shall recommend to the

management of the Company to take such disciplinary or corrective action as they deem fit. 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 officer or staff conduct and disciplinary procedures.

12. Notification

All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. Every departmental head shall submit a certificate duly signed by him to the Compliance Officer that this policy was notified to each employee of his department. The new employees shall be informed about the policy by the Personnel department and statement in this regard should be periodically submitted to the Compliance Officer.

This policy as amended from time to time shall be made available at the Web site of the Company.

13. Reporting

The Ethics Counselor / Company Secretary shall submit a report on a quarterly basis to the Audit committee regarding total number of disclosures received in previous quarter, nature of complaint, outcome of investigation, actions recommended by the Ethics Counselor / Audit Committee and implementation of the same.

14. Annual Affirmation

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action.

The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

15. Retention of document

All protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

16. Amendment

The Company reserves its 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 informed to the Employees by means of Circulars/Letters.

17. Commencement

The Policy shall come in to existence upon the approval by the Board of Directors of Jain Farm Fresh Foods Ltd., i.e. with effect from 10.02.2017.