

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

CREMICA AGRO FOODS LIMITED

1. PREFACE

Pursuant to Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and applicable provisions of SEBI (LODR), every listed company and certain companies under Companies Act, 2013 are required to establish a Vigil Mechanism for the directors and employees to report genuine concerns or grievances about any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy or to report instances of leak of unpublished price sensitive information. The Company has adopted a Code of Conduct for Directors and Senior Management Executives ("the Code"), which lays down the principles and standards that would govern the actions of Directors and Senior Management Executives of the Company and its employees. Any actual or potential unethical behavior, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Therefore, this vigil mechanism at Cremica Agro Foods Limited ("Company") provides for adequate safeguards against victimization of directors, Senior Management Executives and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases. The Company therefore has established a Whistle Blower Policy/ Vigil Mechanism.

2. POLICY OBJECTIVES

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations as mandated under the Companies Act, 2013 and the SEBI (LODR). To maintain these standards, the Company encourages its employees having concerns about suspected misconduct in the business dealings to come forward and express their concerns without apprehension of punishment or unfair treatment. Company's 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 Code of Conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

3. SCOPE OF THE POLICY

This Policy intends to cover concerns of serious nature that could have grave impact on the operations and business of the Company and malpractices and events which have taken place/suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers.

However, it be noted that 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 or grudge about a person.

4. DEFINITIONS:

4.1 **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013 and the Rules made thereunder and reconstituted from time to time in compliance with any amendments to the applicable Act/Rules.

4.2 **"Employee"** means every employee of the Company, including the Directors in the employment of the Company.

4.3 **"Protected Disclosure"** means a concern of material nature formally raised through a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.

4.4 **"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.

4.5 **"Whistle Blower"** means an Employee making a Protected Disclosure under this Policy.

4.6 **"Whistle and Ethics Officer(s)"** or **"WEO(s)"** means any one or more persons nominated by the Chairman of the Audit Committee from time to time under this policy to receive protected disclosure from Whistle blowers, to conduct detailed investigation under this policy, maintain record thereof, place the same before the Audit Committee for its disposal and inform the Whistle blower the results thereof.

4.7 **"Company"** means Cremcia Agro Foods Limited

5. ELIGIBILITY

All Employees of the Company including the Directors of the company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES:

6.1 All Protected Disclosures should be reported in writing by the Whistle Blower to WEO as soon as possible after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting.

6.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **"Protected disclosure under the Whistle Blower policy"**. Alternatively, the same can also be sent through email at whistleblower@cremica.in with the subject **"Protected disclosure under the Whistle Blower policy"**. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the confidentiality of the Whistle Blower and the protected disclosure. In order to protect identity of the Whistle Blower, the Whistle and Ethics Officer(s) or the Chairman of the Audit Committee, as the case may be will not issue any acknowledgement to the Whistle Blower. Whistle Blower should not write their name/ address on the envelop nor enter into any further correspondence with the Chairman of the Audit Committee in order to maintain confidentiality. Whistle and Ethics Officer(s) or Chairman of the Audit Committee shall ensure that in case any further clarification is required he / she will get in touch with the Whistle Blower.

6.3 The Company shall not entertain anonymous/ pseudonymous disclosures.

6.4 The Protected Disclosure should be forwarded under a covering letter signed by the Whistle Blower. The Whistle and Ethics Officer(s) or Chairman of the Audit Committee shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

6.5 Protected Disclosure against the Chairman of the Company should be addressed to the Chairman of the Audit Committee.

6.6 Protected Disclosure against the Chairman of the Audit Committee should be addressed to the Board of Directors.

6.7 On receipt of the protected disclosure the Whistle and Ethics Officer(s) or the Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the Whistle Blower whether he / she was the person who made the protected disclosure. The record will include:

- Brief facts;
- Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- Details of actions taken by WEO(s)/Chairman of the Audit Committee ;
- Findings of the Audit Committee
- The recommendations of the Audit Committee/ other action(s).

6.8 The Audit Committee, if deems fit, may call for further information or particulars from the Whistleblower.

7. INVESTIGATION

7.1 All Protected Disclosures reported under this Policy will be thoroughly investigated by the Whistle and Ethics Officer(s)/ Chairman of the Audit Committee who will investigate/oversee the investigations under the authorization of the Audit committee. Chairman of Audit Committee/WEO(s) may at its discretion consider involving any investigators for the purpose of Investigation.

7.2 The decision to conduct an investigation into a Protected Disclosure by itself is not an acceptance of the accusation by WEO or the Chairman of the Audit Committee and is to be treated as a neutral fact-finding process because the outcome of the investigation may or may not support accusation.

7.3 The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of the investigation.

7.4 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 there is good evidence in support of the allegation.

7.5 Subjects shall have a duty to co-operate with the Audit Committee during investigation to the extent that such co-operation sought does not merely require them to admit guilt.

7.6 Subjects shall have right to access any document/information for their legitimate need to clarify/defend themselves in the investigation proceedings.

7.7 Subjects shall 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.

7.8 Subjects shall have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

7.9 Whistle and Ethics Officer(s)/ Chairman of the Audit Committee shall normally complete the investigation within 90 days of the receipt of protected disclosure.

7.10 In case of allegations against subject are substantiated by the Whistle and Ethics Officer(s)/Chairman of the Audit Committee in his report, the Audit Committee shall give an opportunity to Subject to explain his side.

8. DECISION AND REPORTING

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.

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 principal of natural justice.

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee, which shall in turn report to the Board.

9. PROTECTION

9.1 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 Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, 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 duties / functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, if any 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.

9.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

9.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

9.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

10. SECRECY / CONFIDENTIALITY

The Whistle Blower, Whistle and Ethics Officer(s), Chairman of the Audit Committee, Members of Audit Committee, the Subject and everybody involved in the process shall:

- i. Maintain confidentiality of all matters under this Policy
- ii. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- iii. Not keep the papers unattended anywhere at any time.
- iv. Keep the electronic mails/files under password.

11. FALSE ALLEGATIONS

A person who makes false allegations as to unethical & improper practices or about alleged wrongful conduct of the subject to the Whistle and Ethics Officer(s) or the Audit Committee shall be subject to appropriate disciplinary action.

12. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in such cases for disposal or to deal with the Protected Disclosure or exceptional events, in such manner as it may deem fit.

13. COMMUNICATION

A whistle Blower policy cannot be effective unless it is properly communicated to employees at all levels. The policy is therefore published by the Company on the website of the Company for wider dissemination to employees.

14. RETENTION OF DOCUMENTS

All Protected disclosures in writing or documents pertaining to the same along with the results of Investigation relating thereto, shall be retained by the Company for a period of 8 (eight) years or such other period as specified by any other law in force, whichever is more.

15. ADMINISTRATION OF THE POLICY

A quarterly report about the functioning of the Whistle Blower Mechanism shall be placed before the Audit Committee.

Whistle and Ethics Officer(s) presently shall be responsible for the administration, interpretation and application of this policy.

16. REVIEW AND AMENDMENT

The Audit Committee shall review the policy as and when the need so arises in order to comply with the provisions of the extant law. The Company reserves its right to amend or modify this Policy in whole or in part to appropriately accommodate the prevailing circumstances and / or in order to comply with the law.
