

AJOONI BIOTECH LIMITED

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

Preface

Ajooni Biotech Limited (“the Company”) values the integrity, commitment, passion, seamlessness, and speed as the basis and foundation for all the actions and decisions taken. Accordingly, the company has adopted the Whistle Blower Policy (“the Policy”), which lays down the principles & standards that should govern the actions of the Company and its employees. This policy shall help in laying down all the non-negotiable set of actions/behaviour applicable to all the employees. The role of employees in pointing out such violations of the policy cannot be undermined.

Thus, the Policy has been formulated with a view to provide a mechanism for employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

Companies Act, 2013

- Section 177 (9) requires every listed Company to establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.
- Section 177 (10) further provides that the vigil mechanism shall provide for adequate safeguard against victimization of persons who use such mechanism and make provisions for direct access to the chairperson of the Audit committee in appropriate or exceptional cases.

Provided that the details of establishment of such mechanism shall be disclosed by the company on its website, if any, and in the Board’s report.

Further Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 provide as follows:-

- 1) Every listed Company shall oversee the vigil mechanism through the Audit committee and if any of the members of the committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.
- 2) The vigil mechanism shall provide for adequate safeguard against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the chairperson of the audit committee in exceptional cases.
- 3) In case of repeated frivolous complaints being filed by a director or an employee, the Audit committee may take suitable action against the concerned person including reprimand.

Listing Agreement - Clause 49

Revised Clause 49 of the listing Agreement inter-alia requires as follows:-

- 1) The Company shall establish a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- 2) This mechanism should also provide for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit committee in exceptional cases.
- 3) The details of establishment of such mechanism shall be disclosed by the company on its website and in the Board's report.

Definitions

The definitions of some of the terms used in this Policy are given below:

- a) "Alleged Person" means a person purportedly involved in the unethical practice and against whom or in relation to whom a Reported Disclosure has been made or evidence gathered during the course of an investigation.
- b) "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 (erstwhile Section 292A of the Companies Act, 1956) and read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- c) "Compliance Officer" means Company Secretary of the Company or any other officer nominated by the Audit Committee.
- d) "Employee" means every employee of the Company (whether working in India or abroad), including the Managing Director/Executive Director who are in whole time employment of the Company.
- e) "Investigator(s)" means committee of officials/any official as may be decided by the Audit Committee to carry out investigation in the Reported Disclosure.
- f) "Director" means every Director of the Company, past or present.
- g) "Reported Disclosure" means any communication made in good faith that demonstrates information that may evidence any instance of unethical or improper behaviour/practice (not necessarily a violation of Law), actual or suspected fraud or violation of the Company's Code of Conduct Policy ("the unethical practice").

Examples of unethical practice:

- Criminal offences (corporate fraud, corruption, bribery or theft), which has been or is likely to be committed.
- Unethical business conduct and serious irregularities, regulatory or financial.
- Conflict of business interests.
- Misuse of Company's Assets, Authority, Funds etc.

- Willful suppression of facts or Misstatement in any Company's records.
- Falsification of transactions/documents.
- Miscarriage of justice or any willful discrimination by the Management.
- Actions taken or proposed to be taken by the Management or acts of omissions by Management which will endanger safety of any employee/ person.
- Misuse of authority which may adversely affect the interest of the Company.
- Any other form of improper action or conduct.

h) "Vigil Mechanism/Whistle Blower" means any Director and Employee of the Company making a Reported Disclosure under this Policy.

Scope

All Directors and Employees of the Company are eligible to make Reported Disclosures under the Policy. The Reported Disclosures may be in relation to matters concerning the Company and those dealing with the Company.

Policy

The Company is committed to openness, transparency and accountability in all its affairs to achieve highest standards of Governance. The Policy reinforces the Company's approach by providing a forum to the Directors and Employees to voice their concerns about suspected or actual unethical or improper practice.

Role and Responsibility of the "Whistle Blower"

The Whistle Blower's role is that of a reporting party with reliable information. The Whistle Blower shall co-operate with the Chairman / Members of the Audit Committee and extend all necessary support including production of documentary evidences to investigate the allegations/ complaints. She/he is neither required to act as investigator nor permitted to determine the appropriate or remedial action on behalf of the Company.

Procedure

All Reported Disclosures should be addressed to the Chairman of the Audit Committee. It should be addressed preferably through email or in writing as to ensure a clear understanding of the issues raised and not to be speculative. Reported Disclosures can also be put in the Special Box (with lock facility) under sealed cover with covering letter disclosing the name & address & contact no. of the Whistle Blower which will be kept secret while probing the matter.

Postal Address:

Ms. Simmi Chhabra
Chairman
Audit Committee

Or

Mr. Jasjot Singh
Managing Director
Ajooni Biotech Ltd.

Plot no. D-118, Industrial Area
Phase-VII, Mohali, Punjab-160059
Electronic Mail (E-mail): ajooni118@gmail.com

The Reported Disclosure shall include:

- ✓ The name of the employee & department of internal whistle blower.
- ✓ The nature and facts of the Reported disclosure;
- ✓ The impact / effect either monetary or otherwise on the Company, if possible.

The Audit Committee or the Managing Director shall consider factors like gravity of the alleged unethical practice and its impact and accordingly appoint Investigator(s) to further investigate. Appropriate care would be taken to keep the identity of the Complainant/ Whistle Blower, confidential.

The process of investigation shall be kept confidential to the extent possible given the legitimate needs of law and the investigation. The person/s alleged to be involved in the unethical practice, shall co-operate with the Investigators during investigation. Such person/s shall have a reasonable opportunity of being heard. No evidence shall be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated, by any Director/Employee.

The Investigators shall complete the investigation within 45 (forty-five) days or within such period as may be granted by the Audit Committee. Investigators shall submit the report to the Chairman of the Audit Committee. Decision on the report would be taken by the Committee within 30 (thirty) days from the date of receiving Investigators Report. The Whistle Blower may appear directly before the Audit Committee in exceptional circumstances.

The decision would be communicated to the Complainant/Whistle Blower and the alleged persons by the Compliance Officer. If the Complainant/Whistle Blower or the alleged employee is not satisfied with the decision communicated, then they can request for personal appearance and re-hearing before the Audit Committee.

Audit Committee shall recommend suitable action and may advise the concerned Department Head to take suitable corrective measures to avoid recurrence of such Reported Disclosure.

The Audit Committee shall decide on whether the outcome of an investigation shall be made public, keeping in view the best interest of the Company. The Compliance Officer shall assist in all respects to the Audit Committee and the Investigators, for smooth completion of the investigation process under the policy.

Protection

No unfair treatment shall be given to a Complainant / Whistle Blower by virtue of his/her having made a Reported disclosure under this Policy. The Company shall ensure that any kind of discrimination, harassment, victimization or any other unfair employment practice is not adopted against Whistle Blowers.

No action would be taken to obstruct the Complainants / Whistle Blowers right to continue to perform his/her duties including making further Reported Disclosures. The identity of the Complainant/Whistle Blower shall be kept confidential to the extent possible and permitted under law. Complainant/Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Audit Committee or the Managing Director (e.g. during investigations carried out by Investigator(s)).

Any other employee/person assisting in the said investigation shall also be protected to the same extent as the Complainant/Whistle Blower.

Disqualifications

While it would be ensured that the identity of genuine Whistle Blowers are protected and they are not subject to any kind of unfair treatment, any misuse of such protection would warrant disciplinary action. Protection under this Policy would not mean protection from disciplinary action against false or bogus allegations made by a Whistle Blower, knowing it to be false or bogus, or any reported disclosures made with a mala fide intention.

Whistle Blowers, who make three or more Reported Disclosures, which have been subsequently found to be malafide, frivolous, malicious, or reported otherwise than in good faith, will be disqualified from making further Disclosures under this Policy and suitable disciplinary action shall be initiated against such Director/employee.

Power to amend the Policy

This Policy may be amended from time to time by the Board based on the recommendations of the Vigil Mechanism Committee or the Audit Committee of the Board.
