



Modi Naturals Limited

Whistle Blower Policy and Vigil Mechanism



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1. Preamble

Modi Naturals Limited is committed to conducting business with integrity, including in accordance with all applicable laws and regulations.

Accordingly, the Company, in compliance of the provisions of Section 177 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), has framed its Vigil Mechanism and Whistle-blower Policy with a view to provide a mechanism for employees and directors of the Company to report concerns of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

This Policy applies to all Employees, regardless of their location. Violations will result in appropriate disciplinary action. The employees are required to familiarize themselves with this Policy, and seek advice from their Head, HR of Modi Naturals if any questions arise.

2. Definitions

- (a) "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 read with regulation 18 of Listing Regulations, which has responsibility for supervising the development and implementation of this Policy.
- (b) "Employee" means every employee of the Company, including the Directors, if any, for the time being in the employment of the Company..
- (d) "Vigilance Officer" is a person, nominated/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 the result thereof.
- (e) "Investigator" is a person authorised, appointed, consulted or approached by the Vigilance Officer/Chairperson of the Audit Committee and includes the auditors of the Company and the police.
- (f) "Protected Disclosure /Wrongful Act" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity under the title "scope of the policy" with respect to the Company.
- (g) "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.
- (j) "Whistle-blower" means an Employee or director or any stakeholder making a Protected Disclosure under this Policy.

3. Scope

The Whistle Blower's may report or raise any concern which he/ she believes is Wrongful Act. Any allegation which falls within the scope of the Policy will be seriously considered and investigated.



These concerns would include but are not restricted to:-

- Fraud;
- Financial malpractice;
- Failure to comply with applicable legal requirements or Company policy;
- Improper conduct or unethical behaviour, including breach of the Company's code of conduct, business integrity or ethics;
- Attempts to conceal any material facts or misrepresentation;
- Negligence causing substantial and specific danger to public health, safety or environment;
- Any unlawful act whether criminal/civil;
- Colluding with third parties/associates to exploit or cause harm to the company; and
- Breach of terms and conditions of employment and rules thereof;
- Manipulation of company data/ records;
- Unauthorised use, access or disclosure of confidential/proprietary information;
- Abuse of authority;
- Misappropriation or unauthorised use of Company Funds/assets;
- Leak or suspected leak of Unpublished Price Sensitive Information

Whistle Blower should not act on his/ her own in conducting any investigative activities, nor he/ she has a right to participate in any investigative activity other than as requested by the Chairman of the Audit Committee or the investigators.

The above list is only illustrative and should not be considered as exhaustive. This Policy should neither be used as a grievance reporting procedure, including but not limited to settling personal issues pertaining to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges, nor be resorted to as a means for raising malicious or unfounded allegations against colleagues/seniors.

4. Eligibility

All Employees, Directors and stakeholders of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

5. Disqualifications

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.

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.

The Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action against Whistleblowers who make one or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith.



6. Reporting Mechanism

- (a) All 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 Whistleblower.
- (b) All Protected Disclosures should be addressed to the Vigilance Officer of the Company as under:

The Vigilance Officer
Modi Naturals Limited,
D-185, 1B & 1C, Okhla Phase-I,
New Delhi-110020

- (c) Moreover, in exceptional cases, Employees have a right to make Protected Disclosures directly to the Chairman of the Audit Committee by letter addressed to :

The Chairperson - Audit Committee
Modi Naturals Limited,
D-185, 1B & 1C, Okhla Phase-I,
New Delhi-110020

- (d) Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistleblower. The Vigilance Officer / Chairperson of the Audit Committee, as the case may be, shall detach the covering letter and process only the Protected Disclosure.
- (e) 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.
- (f) In order to protect the identity of the complainant, no acknowledgement shall be issued to the complainant. Further, they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer.
- (g) Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer.

7. Investigation

- (a) All Protected Disclosures under this policy will be thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company.
- (b) The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.
- (c) The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.
- (d) The investigation shall be completed normally within 30 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.
- (e) Subjects shall have a duty to co-operate with the Vigilance Officer / Chairperson of the 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 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.
- (g) 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 wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- (h) Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

8. 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. Adequate safeguards against victimization of complainants shall be provided.
- (b) The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.
- (c) The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9. Decision

- (a) If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairperson of the Audit Committee shall recommend to the Management of the Company to take such disciplinary or corrective action as it may deem fit.
- (b) 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.
- (c) A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

10. Reporting

The Vigilance Officer shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

11. Confidentiality

The complainant, Vigilance Officer, Members of Audit Committee, the Subject 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 keep the papers in safe custody.



12. Retention Of Documents

All Protected disclosures in writing or documented obtained during the course of inquiry/ investigation, 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.

13. Information Dissemination

The details of establishment of such mechanism shall be disclosed by the Company on its website and in the Board's report.

14. Review of The Policy

The Board shall review the Policy from time to time based on the changing needs and make suitable modifications as may be necessary. The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.
