

# **VIGIL MECHANISM AND WHISTLE BLOWER POLICY**



**BABA AGRO FOOD LIMITED**  
*(FORMERLY SRI KRISHNA METCOM LIMITED)*

## **I. PREFACE**

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a Vigil Mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management (“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. Such a Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Pursuant to the provisions of Section 177 (9) & (10) read with rule 7 of Chapter XII of the Companies Act, 2013, the Company has set up and adopted the following Vigil Mechanism which lays down the principles and standards governing the management of grievances and concerns of employees and directors of the Company and shall be over seen by the Audit Committee (hereinafter referred to as ‘Committee’) of the Company. The Mechanism as set up herein-below shall enable the employees and the directors of the Company to report their genuine concerns or grievances about the actual and potential violation of the principles and standards laid down herein.

## **II. OBJECTIVE**

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.

## **III. POLICY**

In compliance of the above requirements, Baba Agro Food Limited, being a Listed Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

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.



#### IV. DEFINITIONS

- a) “Disciplinary Action” means any action that can be taken on the completion of /during the investigation proceedings including but not limited 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.
- b) “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance with the guidelines of Listing Regulation and Companies Act, 2013.
- c) “Board” means the Board of Directors of the Company.
- d) “Company” means the Baba Agro Food Limited.
- e) “Employee” means all the present employees (including Contract Employees on Contractual Basis) and Managing / Whole Time / Executive Directors of the Company whole time Directors of the Company whether working in India or abroad.
- f) “Protected Disclosure” means a concern raised by raised by 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.
- g) “Subject” means the person against whom the complaint is made.
- h) “Whistle Blower” is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.
- i) “Whistle Officer” means an officer who is/are nominated/ appointed to conduct detailed investigation of the disclosure received from the whistle blower and recommend disciplinary action. Currently, the Company Secretary is nominated as Whistle Officer.



## V. SCOPE

- a) 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.
- 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 Counsellor or by the Chairman of the Audit Committee or by the Investigators.
- c) Protected Disclosures will be appropriately dealt with by the audit committee as the case may be.

## VI. ELIGIBILITY

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

## VII. PROCEDURE

All Protected Disclosures should be reported in writing by the complainant as soon as possible, after the Whistle Blower becomes aware of the same and should either be typed or



written in a legible handwriting in English. The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower policy" or sent through email with the subject "Protected disclosure under the Whistle Blower policy". If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt

with as if a normal disclosure. All Protected Disclosures should be addressed to the Whistle and Ethics Officer of the Company or to the Chairman of the Audit Committee or Managing Director in exceptional cases. The contact details of the Whistle Officer are as under:-

Ms. Kumari Deepshikha, Company Secretary and Compliance Officer, Baba Agro Food Limited, 504, Mangal Murti Heights, 5<sup>th</sup> Floor, Rani Bagan, Harmu Road, Ranchi, Jharkhand-834001.

Email – [cs@skmltd.co.in](mailto:cs@skmltd.co.in)

## VIII. PROTECTION TO WHISTLE BLOWER

1. In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants and they are not advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer. On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

2. If one raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like 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/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy.

The protection is available provided that:

a. The Whistle blower has chosen to identify themselves

b. The communication/ disclosure is made in good faith

c. The Whistle blower reasonably believes that information, and any allegations contained in it, are substantially true; and

d. The Whistle blower is not acting for personal gain Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.



However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

3. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and disciplinary action taken against any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.

Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistle blower.

## **IX. INVESTIGATION**

All Protected Disclosures under this policy will be recorded and 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. 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. The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit. 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.



## **X. DECISION AND REPORTING**

If outcome of the investigation indicates that an improper or unethical or wrongful act has been committed, it will be recommended to the management of the Company to take appropriate corrective action. Any such disciplinary or corrective action shall be subject to the applicable personnel or staff conduct and disciplinary procedures. If Complainant is not satisfied with Report, he has the right to report the event to the appropriate legal or investigating agency. A Complainant who makes false allegations or about alleged wrongful conduct shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **XI. SECRECY / 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.

## **XII. 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 5 (five) years or such other period as specified by any other law in force, whichever is more.

## **XIII. 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 this regard.

## **XIV. COMMUNICATION**

A Whistle Blower policy cannot be effective unless it is properly communicated to directors/employees. The policy should be published on the website of the company.



## **XV. 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 Directors and employees unless the same is not communicated in the manner described as above.