



WHISTLE-BLOWER POLICY
[VIGIL MECHANISM]

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1. INTRODUCTION

This Policy is primarily framed based on Section 177(9) of the Companies Act, 2013 (the “Act”) and Regulation 4(2)(d)(iv) and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘Listing Regulations’), which stipulates that the listed entity shall formulate a vigil mechanism for directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of Company’s Code of Conduct or ethics policy.

The Board of Directors (the “Board”) of Shukra Pharmaceuticals Limited (the “Company” or “Shukra”), has adopted the following **Vigil Mechanism/Whistle-Blower Policy** (the “Policy”), effective from December 01, 2015 and adopted revised Policy on May 06, 2022 (effective from April 01, 2022), as required under Section 177(9) of the Act and Regulation 4(2)(d)(iv) and Regulation 22 of the Listing Regulations.

The Policy shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

2. PURPOSE / OBJECTIVE OF THE POLICY

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior, in consonance with the Company’s Principles and Code of Conduct. Any actual or potential violation of these Principles and the Code of Conduct for Employees would be a matter of serious concern for the Group.

Employees have a role and responsibility in pointing out such violations. This Policy is formulated to provide a secure environment and to encourage employees to report unethical, unlawful or improper practices, acts or activities in the Company and to prohibit top management personnel from taking any adverse personnel action against those employees who report such practices in good faith.

Whistle blower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company.

3. SCOPE/APPLICABILITY:

This Policy applies to all the employees of the Company. This Policy neither release 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 against people in authority and/or colleagues in general.

This Policy covers 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 concerning its employees.

4. DEFINITIONS:

“Act” means the Companies Act, 2013 read with rules made thereunder as amended from time to time.

“Accused/ Offending Employee” means an employee against whom a complaint is lodged.

“Alleged wrongful conduct” shall mean violation of law, infringement of Company’s rules & policies, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

“Audit Committee or Committee” means committee of the Board constituted from time to time under the provisions of Regulation 18 of the Listing Regulations and Section 177 of the Act.

“Board” means board of directors as defined under the Act, as constituted from time to time.

“Code” means Code of Conduct for Directors and Senior Management Personnel adopted by Shukra Pharmaceuticals Limited.

“Company” shall mean Shukra Pharmaceuticals Limited.

“Directors” means directors of the Company.

“Employee” means all the present employees and whole time Directors of the Company (whether working in India or abroad).

“Independent Director” means a Director referred to in Section 149(6) of the Act read with rules made thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended from time to time.

“Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modifications or re-enactments thereof for the time being in force.

“Policy” shall mean the whistle-blower policy / vigil mechanism.

“Protected Disclosure” means any communication made in good faith to disclose information that evidences unethical or improper activity/ behavior. It shall be factual and not speculative in nature.

“Unethical Behavior” means and includes suspected or alleged illegal, false, misleading dishonest, deceptive, unethical, corrupt or unconscionable conduct. The unethical, improper and illegal activities *inter-alia* include–

1. An act of omission, commission, concealment, misrepresentation which necessarily are in violation of law of the land, rules and regulation of the Company, Memorandum and Articles of Association of the Company and against the accepted principles jeopardizing the interest and growth of the Company.
2. Misuse or diversion of the Company’s funds, property and man power.
3. Intentional financial irregularities, including fraud or suspected frauds
4. Unnecessary sharing/ Leaking of unpublished price sensitive information.
5. Manipulation of Company data/records.
6. Gross or willful negligence causing substantial and specific danger to health, safety and environment.
7. Any act, deed or thing which goes against the interest of the Company.

“Vigilance Officer / Vigilance Committee or Committee” means a person or committee of persons nominated/appointed by the board of directors to receive Protected Disclosure from Whistle-Blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle-Blower(s) the result thereof.

“Whistle-Blower” or “Complainant” means an employee or a director or any other stakeholders such as borrowers, co-borrowers, depositors, key partners, direct selling agents, vendors etc., who makes a protected disclosure under this policy. He/ She is neither an investigator nor a finder of facts, nor does he/ she determine the appropriate corrective or remedial action that may be warranted.

5. INTERPRETATION:

Words and expressions used in this Policy shall have the same meanings respectively assigned to them in the following Acts, Rules and Regulations:

- i. The Companies Act, 2013 or the Rules framed thereunder;
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. Indian Accounting Standards, as amended from time to time.

6. PROCESS OF LODGING COMPLAINT:

1. The protected disclosure shall be made in writing.
2. The complaint shall be sent in a closed or secured envelope.
3. The protected disclosures that express anonymously will not be investigated.
4. The Complainant shall mention his/ her name and address in the beginning or at the end of the letter or in an attached letter.
5. The envelope should be super scribed with "Complaint under Whistle Blower Mechanism".
6. The complaint shall be drafted carefully and the identity of the complainant should be specific and verified.
7. All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

In order to protect the identity of the Whistle Blower, the Vigilance Officer will not issue any acknowledgement to him and he is 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.

The Vigilance Officer shall keep a register for the registration of the Protected Disclosures received from the Whistle Blowers, with each Disclosure serially numbered and the action taken/recorded in each case.

7. 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.

Whistle-Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

8. 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 Subject 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 subject shall have a duty to co-operate with the investigator and responsibility not to interfere or obstruct with the investigation process.

The Audit Committee can summon the Whistle Blower to take oral evidence or may ask for further documentary evidence in support of his/her complaint.

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.

9. 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 after going through the report and the evidences and documents submitted by the Whistle-Blower shall take appropriate decision on the report and forward the same to the Board of Directors for suitable action. The action taken on the report shall be communicated to the Whistle Blower/ Subject.

A Whistle-Blower 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.

While acting on the basis of this Policy, the employees shall act with utmost *bona fide* intention, any reports/complaints made by the employees under this policy shall be true and fair supported by strong documentary evidences. The safeguard of the Company's interest shall be the only motive of the employees.

Quarterly report submission: A quarterly report with the number of Complaints received under this Policy by the Chairperson of the Audit Committee shall be placed before the Audit Committee/ the Board.

10. WHISTLE-BLOWING IN CASE OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION ("UPSI"):

- i. Any instance of leak of UPSI should not be on the basis of a direct first – hand experience of the Whistle Blower. It should not be based on any secondary, unreliable source such as grapevine or any other form of informal communication.
- ii. The Whistle Blower may report leak of UPSI by an email to the Vigilant Officer at his e-mail ID mentioning the subject line "Leak of UPSI".

- iii. On the basis of reporting, the Vigilant Officer shall conduct examination about the genuineness of the reporting before conduct of inquiry.
- iv. The Vigilant Officer as soon as ascertaining the genuineness of the reporting about leak of UPSI, shall follow the procedure laid down under policy for procedure for inquiry in case of leak of UPSI.

11. PROTECTION:

The Company shall not threaten, discriminate or take retaliatory action against an employee in any manner which adversely affect the employee's employment in the organization.

No adverse action will be taken against an employee who participates or gives information in an investigation or hearing or enquiry initiated by the Vigilance Officer/ Officer/ Vigilance Committee/ Audit Committee.

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. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

This, however, does not preclude a superior or management from taking appropriate action against an employee for misconduct, indiscipline, poor job performance or retrenchment as per the policy of the Company.

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.

12. 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.

13. ACCESS TO CHAIRPERSON OF THE AUDIT COMMITTEE:

The Whistle Blower shall have right to access Chairperson of the Audit Committee directly in exceptional cases and the Chairperson of the Audit Committee is authorized to prescribe suitable directions in this regard.

The contact details of the Chairperson of the Audit Committee are as under: -

Ms. Bhoomi Patel

Independent Director – Chairman of the Audit Committee
Shukra Pharmaceuticals Limited

Email: www.shukrapharmaceuticals.com

14. 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 minimum period of three years.

15. CONFIRMATION:

The Company shall annually affirm that the management has not denied any employee access to the Audit Committee for reporting under this Policy.

The aforesaid affirmation shall also be incorporated in the Board Report on Corporate Governance in the Annual Report.

16. AMENDMENTS

This Policy shall be reviewed to the Board of Directors, as and when considered necessary as per statutory and business requirements of the Company. The Company reserves its rights to alter, modify, add, delete or amend any of the provisions of this Policy.

17. DISCLOSURES

- ✓ A copy of the Policy including amendments thereto shall be hosted on the website of the Company at www.shukrapharmaceuticals.com and its weblink shall be provided in the annual report.
- ✓ This Policy will be communicated to HR-Head of the Company for internal circulation.
- ✓ Directors and Employees shall be informed of the Policy by publishing the same on the notice board.

***Disclaimer:** Provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. 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.*