

PATANJALI FOODS LIMITED
(Formerly known as Ruchi Soya Industries Limited)

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

(Approved by the Board of Director at their meeting held on August 11, 2023)



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Effective Date: January 17, 2020

Modified on: August 11, 2023 and February 08, 2024

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WHISTLE BLOWER POLICY AND VIGIL MECHANISM

1. Preface:

- 1.1 Patanjali Foods Limited (Formerly known as Ruchi Soya Industries Limited), (the “**Company**”) believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers, shareholders, and business associates in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity, and ethical behavior.
- 1.2 The Company has adopted this whistle-blower policy and vigil mechanism (“**Policy**” or “**this Policy**”) to guarantee that there is a common minimum standard of professional behavior. This policy outlines the recognizable and non-negotiable set of actions/behavior that all workers must follow. It gives guidelines and constraints. It describes how to report infractions/potential violations and the redressal process.
- 1.3 Section 177(9) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (“**The Act**”) *inter-alia*, mandates the following classes of companies to constitute a vigil mechanism:
 - a) Every listed company;
 - b) Every other company which accepts deposits from the public; or
 - c) Every company which has borrowed money from banks and public financial institutions in excess of ₹ 50 crore.
- 1.4 Regulation 4(2)(d)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), *inter alia*, provides for the listed entity to devise an effective vigil mechanism/whistleblower policy enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.
- 1.5 Further, regulation 22 of the Listing Regulations, also provides, a mandatory requirement, for all listed companies to establish a vigil mechanism or whistle-blower policy for the directors and employees to report genuine concerns and the vigil mechanism shall provide adequate safeguards against victimization of directors and employees 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.
- 1.6 Accordingly, this Policy has been formulated with a view to provide a mechanism for directors, employees as well as other stakeholders of the Company.
- 1.7 The Audit Committee shall review the functioning of the whistleblower mechanism, at least once in a financial year.
- 1.8 This Policy will be displayed on the website of the Company.



2. Objective:

2.1 The objective of this Policy is to:

- a) provide a Vigil Mechanism for Directors and Employees of the Company to report their genuine concern or grievances about unprofessional conduct without fear of reprisal;
- b) provide adequate safeguards against victimization of Directors or Employees or any other person who avails the Vigil Mechanism provision; and
- c) to provide direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

2.2 Unless otherwise decided by the Board of the Company, any Director or Employee of the Company shall not be released from their duty to maintain confidentiality. The Directors and Employees shall not use this Policy for bringing their personal grievances.

3. Definitions:

Unless the context otherwise requires, the following words, expressions, and derivations therefrom shall have the meaning assigned to them as under:-

- 3.1 **“Audit Committee”** means a committee constituted by the Board of Directors of the Company in accordance with the Listing Regulations and the Act, or including any amendments/modifications made thereto.
- 3.2 **“Board”** means the Board of Directors of the Company.
- 3.3 **“Company”** means Patanjali Foods Limited.
- 3.4 **“Director(s)”** means every Director of the Company, past or present.
- 3.5 **“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 a fine, suspension from official duties, or any such action as is deemed to be fit considering the gravity of the matter.
- 3.6 **“Employee”** means every employee of the Company (whether working in India or abroad), including contractual employees and the directors in the employment of the Company.
- 3.7 **“Listing Regulations”** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.



3.8 “**Ombudsperson Committee**” will be a committee of executive employees, as may be constituted by the Audit Committee for the purpose of conducting a detailed investigation on the recommendation of the Whistle Officer.

The Audit Committee shall have the authority to change or to appoint the members of the Ombudsperson Committee from time to time.

3.9 “**Protected Disclosure**” means a disclosure of certain information in the nature of concern raised by a written/ oral communication made in good faith that evidences unethical or improper activity in relation to the Company.

3.10 “**Stakeholders**” means and includes vendors, suppliers, lenders, customers, business associates, trainees, and others with whom the Company has any financial or commercial dealings.

3.11 “**Whistleblower**” is a person who discloses a Protected Disclosure under this Policy.

3.12 “**Whistle Officer/Investigators**” mean those persons authorised, appointed, consulted, or approached by the Chairman of the Audit Committee and includes the auditors of the Company and the police.

Words and expressions used but not defined in this Policy shall have the same meanings as defined in the Act, the Listing Regulations, or other cognate statutes.

4. Scope of Policy:

This Policy covers an inclusive list of unethical or improper activity(ies) and events which may take place/suspected to take place in the Company:

- i. Abuse of authority for financial gains by any Employee or Director.
- ii. Willful breach of contract of employment by any Employee or Director of the Company.
- iii. Negligence, causing substantial and specific danger to public health and safety and to the environment.
- iv. Manipulation of the Company’s data/records including data containing floppies, disks, and any other electronic mode.
- v. Any grievance of financial irregularities and accepting/giving bribes from/to any person.
- vi. Financial irregularities, including fraud, or suspected fraud; theft and attempted theft.
- vii. Willful breach of any internal controls established within the organization.
- viii. Criminal activity or offense within office/factory premises and other areas like godowns, storage facilities, and fields under the possession of the company.
- ix. Pilferage or Disclosure of confidential/proprietary / Price Sensitive information.
- x. Wastage/misappropriation of company’s funds/assets.



- xi. Breach of the Code of Conduct of the Company or the Policy for Prevention of Sexual Harassment or any other rule or policy as may be formulated by the Company from time to time; and
- xii. Any other unethical or fraudulent activity.

5. Disqualifications:

The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. However, this policy should not be misused by the Employees or Directors to make fraudulent or frivolous or malicious or bogus disclosures.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be fraudulent or frivolous or malicious or bogus, will be penalized or Disciplinary Action will be initiated or will be disqualified from reporting further Protected Disclosures under this Policy for such period as the Audit Committee may impose.

6. Procedure for making Protected Disclosure:

- 6.1. The Directors and Employees can make Protected Disclosure to Whistle Officer as soon as they were informed about the concern. In case the Protected Disclosure is against the Whistle Officer/Investigator, their reference can be made directly to the Audit Committee. The disclosure of any concern can be submitted through any of the following medium:
 - a) By hand at the office of Chief Executive Officer; or
 - b) By post addressed to the Chairman – Audit Committee, Patanjali Foods Limited; or
 - c) By email to email id : whistleblower@patanjalifoods.co.in
- 6.2. Whistle Blower must put his/her name on the disclosure. Anonymous concerns expressed shall not be investigated unless they are accompanied by strong evidence.
- 6.3. All allegations received shall be documented and shall be assigned an identification number.
- 6.4. If during the initial inquiries with the Whistle Officer or the Chairman of the Audit Committee, as the case may be, indicate that the concern has no basis, or it is a matter which does not require further investigation, the matter may be dismissed at initial stage and reason for the same shall be reduced in writing.
- 6.5. Where initial inquiries indicate that a detailed investigation is necessary, then the Audit Committee may carry out a detailed investigation or the Audit Committee may constitute an Ombudsperson Committee for such detailed investigation. The detailed investigation shall be conducted in a fair and transparent manner and without presumption of guilt.
- 6.6. The Chairman of the Audit Committee may at their discretion, consider involving any Investigators for the purpose of investigation.
- 6.7. The name of the Whistle Blower shall only be disclosed to the Whistle Officer and will not be disclosed to the Ombudsperson Committee/anyone else during the period of investigation and a code name/reference will be used during and after the investigation.



- 6.8. The Whistle Officer/Ombudsperson Committee, as the case may be shall:
- i. make a detailed record of the Protected Disclosure. The record shall include:
 - a) Facts of the matter.
 - b) Reference of the same Protected Disclosure, if raised previously, and if so, the outcome of the same.
 - c) Any loss including financial loss which has been incurred by the Company.
 - d) Findings and recommendations of Whistle Officer/ Ombudsperson Committee;
 - e) Gravity of the concern raised.
 - ii. Whistle Officer/Ombudsperson Committee shall finalize and submit the report to:
 - a) The Audit Committee, in case of investigation is done by the Whistle Officer *(In case any member of the Audit Committee is having a conflict of interest in a given case, he shall not participate in the matter and other members of the committee shall deal with the matter on hand).*
 - b) The Whistle Officer, in case the investigation is done by the Ombudsperson Committee.

The report shall be finalized and submitted as per the timelines referred to in Paragraph 7 below.

- 6.9. On submission of the report, the Whistle Officer and the Ombudsperson Committee shall discuss the matter and shall:
- a. take necessary Disciplinary Action as per the procedure of the Company and shall take preventive measures to avoid recurrence of the matter, in case the Protected Disclosure is proved to be correct; or
 - b. dispose off the matter if the Protected Disclosures were not proved.
- 6.10. Depending upon the seriousness or gravity of the matter, it can be referred to the Audit Committee with proposed Disciplinary Action/countermeasures. If required, the Audit Committee can further place the matter before the Board along with its recommendations. The Board may thereafter decide the matter as it deems fit.
- 6.11. Whistle Blower shall remain informed of the status of the matter. On completion of the investigation, the final outcome/decision shall be intimated to the Whistle Blower.
- 6.12. In exceptional cases, where Whistle Blower is not satisfied with the outcome of the investigation, he can make a direct appeal to the Chairman of the Audit Committee.

7. Timelines:

- 7.1. Once the Protected Disclosure is admitted by the Whistle Officer for investigation:

Whistle Officer to complete initial review and decide whether the further investigation is required or not.	Within 15 working days from the date of admission of Protected Disclosure for investigation.
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Whistle Officer /Ombudsperson Committee to complete detailed investigation and submission of report as per Para 6.8.	Within 45 working days from the date of admission of Protected Disclosure for further investigation or extended time period as may be allowed by Whistle Officer/Ombudsperson Committee.
Review and propose action to be taken as per Para 6.9 / Para 6.10 above	Within 60 working days from the date of admission of Protected Disclosure for further investigation

7.2. Brief status report on the matters received, resolved, pending or in which process to be initiated shall be placed before the Audit Committee meeting on quarterly basis.

8. Protection:

8.1. It shall be ensured that the Whistle Blower shall be protected from any adverse action which may include but is not limited to termination of employment, demotion, suspension, decision not to promote, unwarranted performance rating, harassment, biased behavior withholding of salary, imposition of transfer or reassignment, denial of rewards, leave, benefits for which he/she is eligible, or any other significant changes in the job; which may arise out of him/ her making the Protected Disclosure or due to the ongoing investigation or on report being submitted to the Whistle Officer.

8.2. The identity of the Whistle Blower shall be kept confidential. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

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

8.4. In case of occurrence of any adverse action towards the Whistle Blower, he shall have the right to approach the Chairperson / Chairman of the Audit Committee.

9. Secrecy/Confidentiality:

9.1. The Whistle Blower, the Ombudsperson Committee, and any other person involved in the investigation shall maintain complete confidentiality/secrecy of the matter.

9.2. If any Employee is found not complying with the above, he/she shall be held liable for such Disciplinary Action as is considered fit.

10. 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 eight years.



11. Interpretation

- 11.1. The Audit Committee or the Board of the Company shall interpret and administer this Policy in line with the broad intent of this Policy read with the applicable provisions of the Act, rules made thereunder, and the Listing Regulations.
- 11.2. In the event of any conflict between the provisions of this Policy and the provisions of the Act or the Listing Regulations or any other cognate statutory enactments or rules then the provisions of the Act or the Listing Regulations or such other cognate statutory enactments or rules made thereunder shall prevail over to this Policy and the part(s) so repugnant shall be deemed to severed from this Policy and the rest of the Policy shall remain in force.

12. Amendment

- 12.1 The Company/Board of the Company reserves the 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, Employees, and stakeholders unless the same is notified to the Directors and Employees in writing and displayed on the website in case of stakeholders.
- 12.2 In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rule, regulation, or standard governing the Company then such the law, rule, regulation, or standard will take precedence over this Policy and procedures until such time as this Policy is amended to confirm to the law, rule, regulation or standard.

13. Display/Awareness of the Policy:

This Policy shall be displayed on the website of the Company.

