



## **PRATAAP SNACKS LIMITED**

### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

#### **1. Objective**

The Company is committed to pursue its business objectives in a fair and transparent manner by adopting highest standard of professionalism, honesty, integrity and ethical behaviour and for the purpose encourage and protect all of its employees including directors, who wish to raise and report their genuine concerns about any unethical behaviour, actual or suspected fraud or violation of Company's Code Of Conduct.

The Companies Act, 2013 mandates every listed company and such other class of companies, as may be prescribed, to establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed. The vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Company has adopted a Code of Conduct for Board of Directors and Senior Management Personnel ("the Code"), which lays down the principles and standards that should govern the actions of the Company, its directors and employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company.

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) also mandates every listed company to formulate a vigil mechanism for directors and employees to report genuine concerns. The vigil mechanism 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.

Further, in terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company shall have a whistle blower policy to enable employees to report instances of leak of Unpublished Price Sensitive Information ("UPSI").

In compliance with the aforementioned statutory requirements, this Vigil Mechanism / Whistle Blower Policy sets out a functional vigil mechanism to receive, review, investigate into, initiate corrective action, and report on any genuine concern reported by any employee or a director. It also provide adequate safeguards against victimization of such persons who avail of this mechanism and direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

This Policy shall in no manner, release an employee from his obligations of confidentiality under the terms of his employment under the Company nor the mechanism provided herein shall be used to seek redressal of his personal grievances.

This Policy and any amendment thereto shall come into effect from the date of its adoption/approval by the Board of Directors of the Company.

## **2. Definitions**

The following expressions hereinafter wherever used shall have the meanings ascribed against each.

(a) **“Audit Committee”** means the Audit Committee of the Company constituted by the Board of Directors in accordance with the provisions of Section 177 of the Companies Act 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(b) **“Code”** means the Company’s Code of Conduct for Board of Directors and Senior Management and include the terms and conditions of the employment of the Company.

(c) **“Company”** means Prataap Snacks Limited.

(d) **“Concern” or “Complaint”** means any genuine concern over any incidence of actual or suspected unethical behaviour in violation of the Code, or fraud or violation of laws as applicable to the Business of the Company and includes:

1. exercise of authority for personal benefit or the benefit of third party;
2. alleged wrongful conduct
3. any activity which might result or might have resulted in adverse impact on environment;
4. any suspected or actual manipulation of Company data/records, or accounting or financial reporting violation;
5. pilferation or unauthorized disclosure to third party of Company’s confidential/proprietary information;
6. wastage/misappropriation of Company funds/assets;
7. any suspected or actual incident of bribery or corruption;
8. violation of any of the non-retaliatory provisions set out hereinafter;
9. breach of terms and conditions of employment;
10. instances of leak of Unpublished Price Sensitive Information; and
11. any other unethical, biased, favoured, imprudent event/matter, etc.

(e) **“Committee”** means a Committee as may be constituted by the Chairperson of the Audit Committee in consultation with the Managing Director of the Company, with the responsibility to initiate investigation into the Protected Disclosures made by a Whistle Blower to the Vigilance Officer in accordance with this Policy, as and when required. The Committee will generally comprise of three members one of whom will be the Vigilance Officer who will act as the Conveyor. The Committee may co-opt other members including outside experts as the investigation may warrant on a case to case basis.

(f) **“Unpublished Price Sensitive Information”** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel.

(g) **“Disciplinary Action”** means any action that can be taken on the completion of / during the enquiry/investigation proceedings including but not limited to issue of a warning, imposition of fine, suspension or penalty.

(h) **“Employee”** means every employee of the Company (whether working in India or abroad), including Directors of the Company.

(i) **“Vigilance Officer”** means the Company Secretary & Compliance Officer of the Company, who shall be responsible to receive and refer all Protected Disclosures to the Chairperson of the Audit Committee, and under his instruction preserve and protect in secrecy and strict confidence, all records and documents relating to the enquiry/investigation undertaken, findings of the enquiry/investigation, corrective action taken and reported and related matters.

(j) **“Protected Disclosure”** means any communication of concern made in writing and in good faith that discloses or demonstrates information which may be evidence of any act or omission which has taken place or suspected to taken place, involving any of the reportable concern.

(k) **“Whistle Blower”** is an employee/director or group of employees/directors who make a Protected Disclosure under this Policy and also referred in this Policy as complainant.

All Employees of the Company including Directors are eligible to make protected disclosures under the Policy.

### **3.0 Reporting Procedure**

**3.1** All Protected Disclosures should be addressed to the Vigilance Officer of the Company and in appropriate or exceptional cases to the Chairperson of the Audit Committee.

**3.2** Any employee including director who wish to avail of this Policy may as soon as possible, but no later than 30 consecutive days after becoming aware of the event/matter/act including instances of leak of unpublished price sensitive information (“UPSI”), report his/her concern either:

- (a) in writing under a closed envelope marked “ WBP-PD” addressed to the Vigilance Officer whose name, telephone number and email Id given under; or
- (b) by writing an email to the Vigilance Officer using the email id [whistleblower@yellowdiamond.in](mailto:whistleblower@yellowdiamond.in) without disclosing his/her identity; or
- (c) by email under his own authentic email Id, giving full name, address and contact details:

<b>Name &amp; Address of Vigilance Officer</b>	<b>Email id</b>
Mr. Om Prakash Pandey Prataap Snacks Limited Khasra No.378/2, Nemawar Road, Palda, Indore-452020 (M.P.)	<a href="mailto:ompandey@yellowdiamond.in">ompandey@yellowdiamond.in</a>
<b>Name &amp; Address of Chairperson of Audit Committee</b>	<b>Email id</b>
Mr. Chetan Kumar Mathur Prataap Snacks Limited Khasra No.378/2, Nemawar Road, Palda, Indore-452020 (M.P.)	<a href="mailto:chetan.mathur.in@gmail.com">chetan.mathur.in@gmail.com</a>

Indicating the following necessary particulars:

- a) If an Employee, his name and Id number.
- b) If Director, his contact details, address, telephone number and email Id if any,

If he/she is unwilling to reveal his identity, it shall be clearly understood by him/her that the Vigilance Officer shall be free to deal the matter. Anonymous/Pseudonymous Protected Disclosures shall not be entertained by the Vigilance Officer.

**3.3** The Protected Disclosures shall, to the extent possible, indicate

- I. The name/ description of the person suspected to be involved;
- II. Outside party or parties involved, if any;
- III. Division/department/office/unit, where it occurred/continues to occur;
- IV. Date or period of occurrence;
- V. Nature of concern - unethical behaviour / fraud/ violation of law/ or any other matter falling within the scope of the expression” Concern” as defined under this Policy;
- VI. Documentary evidence or any other record evidencing the incidence of the concern or indicate the names of witnesses or the source or place where documentary evidence can be found;
- VII. Whom to contact for more information, if possible; and
- VIII. Prior efforts, if any made to report the concern and if so with what result;

**3.4** Any other communication not in conformity with the provisions of this Rule 3 shall neither be accepted nor acted upon.

**3.5** Any complaint repetitive in nature concerning the same subject matter, which has been found baseless and unfounded, shall not be acted upon.

**3.6** Any Director who wish to avail of this Policy may report his/her concern directly to the Chairperson of the Audit Committee.

**3.7** Name of the Whistle Blower shall not be disclosed by the Vigilance Officer unless otherwise required under any law or regulation or by a competent court of law.

**4.0 Procedure to receive, review, investigate into, initiate corrective action, and report on a complaint received from a Whistle blower**

**4.1** Immediately upon receiving a protected disclosure in conformity with the provisions of this Policy, the Vigilance Officer shall make and maintain a detailed record of all the documentation received in a Register of Protected Disclosure which shall be serially page numbered and sequentially numbered against each protected disclosure received.

**4.2** The Register of Protected Disclosure shall be kept under safe custody of the Vigilance Officer. The Register shall be open to inspection by a third party only upon specific authorization of the Board of Directors or as required under a due process of law.

**4.3** Unless specifically authorized by the Chairperson of the Audit Committee, for the purposes of investigation, the identity of the whistle blower person shall not be disclosed to any third party.

**4.4** To ensure confidentiality of the identity of the Whistle Blower, upon making the entry, a distinctive serial number as recorded in the Register of Protected Disclosure shall be assigned to each set of Protected Disclosure and shall form the primary reference number for all further record and documentation.

**4.5** If initial/preliminary enquiries by the Vigilance Officer indicate that the concern has no basis, or it is not a matter to be further investigated or pursued under this Policy, it may be dismissed at this stage and the decision will be documented. If the Whistle Blower does not reveal his identity or contact details, and where the Vigilance Officer would not be in a position to investigate into the complaint without further communicating with the Whistle Blower to elicit further information, the Vigilance Officer may not proceed with the complaint and treat the matter as closed and the decision will be documented.

**4.6** The Vigilance Officer shall make and submit a brief to the Chairperson of the Audit Committee, setting out the following details:

- a. Date of the Protected Disclosure;
- b. Date of Receipt of Protected Disclosure;
- c. Serial Number assigned to the Protected Disclosure;
- d. Specific mention if the Whistle Blower not reveal his/ her identity;
- e. Nature of concern;
- f. Whether the concern was raised previously by anyone, and if so, the outcome thereof;
- g. Whether any Protected Disclosure was raised previously against the person in question;

- h. The financial / otherwise loss which has been incurred / would have been incurred;
- i. Whether any person other than a Company employee is alleged to be involved;
- j. Action taken or proposed after enquiry; and
- k. Further investigated required or not.

**4.7** Where enquiry indicate that further investigation is necessary, the Chairperson of the Audit Committee may, in consultation with the Managing Director, unless Managing Director himself is an alleged person in the protected disclosure, shall constitute a Committee consisting of Vigilance Officer and such other members as the Chairperson decides, to investigate the matter and submit its findings to him/her within a specified time.

**4.8** If upon investigation, the Committee finds that the concern raised in Protected Disclosure is frivolous or baseless, or that it is not a matter to be investigated further under this Policy, the Committee may so recommend and so record that it may be dismissed in its recommendation to the Chairperson of the Audit Committee.

**4.9** In case the Committee is of the opinion that further investigation is required, then it shall be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. Arising out of the fact finding, the Committee shall prepare and submit its findings inter- alia, setting out:

- a. facts as discovered;
- b. whether the facts as discovered conclusively affirm the veracity of the complaint and guilt of the person accused of or involved;
- c. financial/ otherwise loss which has been incurred / would have been incurred;
- d. recommendations for taking appropriate action against the person accused or involved;
- e. preventive measures to avoid reoccurrence of the matter; and
- f. whether Whistle Blower needs to be informed of the outcome of his complaint or not.

**4.10** The Committee shall submit its recommendation within 30 days of its constitution and the Chairperson of the Audit Committee shall refer the matter to the Chairman and Managing Director of the Company and jointly advise to take such disciplinary/other actions, as deemed fit.

**4.11** In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, and expresses his intention to appeal, Committee may afford an opportunity, for the Whistle Blower to make a direct appeal to the Chairman of the Audit Committee, through the Vigilance Officer no later than 30 days of the communication received in this behalf.

## **5.0 Safeguards against victimization of a Whistle Blower and encouragement for responsible and secure whistle blowing.**

**5.1** This Policy strictly prohibits any unfair treatment or any retaliatory action in any form from any of other employees including Director against any Whistle Blower and expressly protects the identity of the Whistle Blower subject to the provisions hereunder. However, where any employee including director uses this Policy for making any false allegation or complaints knowing it to be false shall be deemed to have tarnished the reputation of the Company and thereby committed a major misconduct and accordingly shall be subject to penalty under the Code.

**5.2** The Whistle Blower, Vigilance Officer, members of the Committee and every employee involved in the enquiry/investigation process shall:

- a. maintain complete confidentiality/ secrecy of the matter;
- b. not discuss the matter in any informal/social gatherings/ meetings;
- c. limit disclosure of information only on need to know basis to other persons only for the purpose of completing the process and investigations;
- d. not keep the papers unattended anywhere at any time;
- e. always keep the electronic mails/files under password.

**5.3** Any employees found not on compliance with the provisions of Rule 5.2 shall be deemed to have committed an act of wilful disobedience and will be liable for disciplinary action.

**5.4** Any person found committing any Retaliatory Action against a Whistle Blower shall be deemed to have committed an act of wilful disobedience and will be liable for disciplinary action.

For the purpose of this Rule the expression “Retaliatory Action” shall mean without limitation any of the following:

threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower’s right to continue to perform his duties/functions including making further Protected Disclosures.

**5.5** In case of any threat or intimidation or likely threat or intimidation of a Retaliatory Action, the Whistle Blower, may directly approach the Vigilance Officer, who will refer the matter to the Chairperson of the Audit Committee, who in consultation with the Chairman and Managing Director advise the concerned superior authorities to take necessary protective steps.

**5.6.** If the Whistle Blower is called upon to render evidence in judicial or disciplinary proceedings, the Company will arrange for requisite legal support at Company’ s cost and expense . Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

**5.7** The identity of the Whistle Blower shall be kept confidential.

## **6.0 Documentation of Complaints, Reports and Registers**

**6.1** The Company shall maintain documentation of protected disclosure, register and report.

**6.2** All such documents shall be retained by the Company for a minimum of eight (8) years from the date of receipt of the protected disclosure.

## **7. Reporting**

The Vigilance Officer of the Company shall submit a quarterly report to the Audit Committee and the Board of Directors.

## **8. Amendment**

This Vigil Mechanism/Whistle Blower Policy is framed pursuant to the provisions of the Companies Act, 2013 and Listing Regulations. In case of any subsequent changes in the provisions of the Companies Act, 2013, Listing Regulations or any other applicable law which makes any of the provisions in the Policy inconsistent with the Act, Regulations or law, then the

provisions of the Act, Regulations or law would prevail over the Policy and the Policy will be modified in due course to make it consistent with law.

This Policy will be reviewed by the Board as and when any changes are to be incorporated in the Policy due to change in law or as may be felt appropriate by the Board. Any changes/amendment/modification in the Policy will in writing and approved by Board of Directors of the Company.