



## WHISTLE BLOWER POLICY

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### PREFACE

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Axxelent Pharma Science Private Limited (herein after referred as “The Company”) believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity, and ethical behaviour. The company has adopted the Code of Ethics & Business Conduct, which lays down the principles and standards that should govern the actions of the Company and its employees.

As required under Section 177 of the Companies Act, 2013, the company adopts the Vigil Mechanism called “Whistle Blower Policy”

### OBJECTIVE

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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 and report the management instances of unethical behaviour, actual or suspected fraud or violation of the Company’s policies or regulatory requirements and to provide necessary safeguards for protection of employees from reprisals or victimisation, for whistle blowing in good faith.

The Whistle Blower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for malicious or unfounded allegations about a personal situation



## SCOPE

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Various stakeholders of the Company are eligible to make Protected Disclosures under the Policy. These stakeholders may fall into any of the following broad categories:

- Employees of the Company including all the Directors
- Employees of other agencies deployed for the Company's activities, whether working from any of the Company's offices or any other location
- Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company
- Customers of the Company
- Any other person having an association with the Company

A person belonging to any of the above-mentioned categories can avail of the channel provided by this Policy for raising an issue covered under this Policy.

The Policy covers malpractices and events which have taken place/suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial danger to public health and safety
4. Manipulation of company data/records
5. May lead to financial irregularities, including fraud or suspected fraud or Deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
6. Any unlawful act whether Criminal/ Civil
7. Pilferage of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage / misappropriation of company funds/assets
10. Bribery / Corruption / Retaliation
11. Breach of IT Security and data privacy
12. Breach of Company Policy or failure to implement or comply with any approved Company Policy
13. Involve leakage of Unpublished Price sensitive information
14. unlawful or otherwise amount to serious improper conduct
15. Social Media Abuse



In line with the objectives of the policy, routine grievances from customers / vendors shall be dealt with by the customer / vendor grievance mechanism of the Company and shall not be covered under this policy. With respect to referrals from customer / vendors, those alleging corruption charges and reputational risks will be dealt with under the policy.

The Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

## DEFINITIONS

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1. **“Director”** shall mean a member of the Board of the company
2. **“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.
3. **“Employee”** means every employee of the Company whether working in India or abroad/ on permanent or temporary rolls of the company, including the directors in the employment of the company.
4. **“Good Faith”** An employee shall be deemed to be communicating in ‘good faith’ if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.
5. **“Ombudsperson”** is a person, nominated/appointed by the Whistle officer to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Whistle officer for its disposal and informing the Whistle Blower the results thereof.
6. **“Policy or This Policy”** means, “Whistle Blower Policy.”



7. **“Protected Disclosure”** means a concern 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.
8. **“Subject”** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation under this Policy.
9. **“Unpublished Price Sensitive Information”** or UPSI means any information, relating to the company or its securities, directly or indirectly, that is not generally available, which upon becoming available, is likely to materially affect the company and shall, ordinarily include but not be restricted to, information relating to the following:
  - a. Financial results
  - b. Dividends
  - c. Change in capital structure
  - d. Mergers, de-mergers, acquisitions, delisting, disposals and expansions of business and such other transactions and
  - e. Changes in Key Managerial Personnel
10. **“Whistle blower”** is someone who makes a Protected Disclosure under this Policy.
11. **“Whistle Committee” or “Committee”** means a committee of persons who are nominated/appointed to conduct detailed investigation of the disclosure received from the whistle blower and recommend disciplinary action. The Committee, if appointed, should include Senior Level Officers of Personnel & Admin, Internal Audit, and a representative of the Company / Division/Department where the alleged malpractice has occurred.
12. **“Whistle Officer”** means a director who is nominated/ appointed to conduct detailed investigation of the disclosure received from the whistle blower and recommends disciplinary action.



## GUIDING PRINCIPLES

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To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the guiding principles of the Company:

1. Ensure that the Whistle blower and/or the person processing the Protected Disclosure is not victimized for doing so
2. Treat victimization as a serious matter, including initiating disciplinary action on person/(s) indulging in victimization
3. Ensure complete confidentiality
4. Not attempt to conceal evidence of the Protected Disclosure
5. Take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure made/to be made
6. Provide an opportunity of being heard to the persons involved especially to the Subject

The guiding principles of the Whistle Blower:

1. The whistle blower must provide all factual corroborating evidence and the information should be of his/her direct first- hand experience only.
2. The Whistle blower's role is a reporting party, he/she are not an investigator
3. The protected disclosure made by the whistle blower must be genuine with adequate supporting data/proof. The intent of the policy is to bring genuine and serious issues to the force and it is not intended for petty complaints. Any malicious allegations by the employees may attract disciplinary action.
4. The Whistle blower shall avoid anonymity when raising a concern under this policy and shall cooperate with investigators in conducting a complete, fair and effective investigation.
5. No investigation subject shall directly/indirectly interfere with the investigation process, till completion of investigation.
6. Investigation subject shall not destroy or tamper with any evidence and shall have duty to cooperate with the investigators.



## PROTECTION TO WHISTLE BLOWER

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1. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization, or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behaviour 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 Disclosure.
2. The identity of the Whistle Blower shall be kept confidential.
3. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

### **The protection is available provided that:**

- (i) The communication/ disclosure is made in good faith
- (ii) The Whistle blower reasonably believes that information, and any allegations contained in it, are substantially true; and
- (iii) 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.



## OMBUSPERSON:

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1. The ombudsperson shall be a person, well respected for his/her integrity, independence, and fairness. The Board of Directors of the company shall authorise a person for the purpose of receiving all complaints under this policy and ensuring appropriate action.
2. All protected disclosure shall be recorded and investigated. If initial enquiry indicates that the concern has no basis or in case Ombudsperson suspects that the allegation has been made with mala-fide intentions or is frivolous in nature or is not genuine, the concern may be dismissed at this stage and the decision documented.
3. In appropriate / exceptional cases, direct access to the Whistle officer will be permitted subject to approval of the Ombudsperson.
4. In case the Whistle Blower has reason to believe that the relevant Ombudsperson is involved in the suspected violation, the complaint may be made directly to the Whistle officer, or to the Board.

## PROCEDURE:

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1. All the protected disclosures should be either typed or written by the Whistle Blower mentioning his/her name, email ID, contact number to allegations they wish to raise as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same to the Ombudsperson. In the absence of the same, the follow-up questions or proper investigation cannot be carried out as the source of information cannot be identified nor authenticated.
2. The Covering letter of the protected disclosure shall 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.
3. The Ombudsperson will issue any acknowledgement to the Whistle Blower within 7 days of receipt of complaint. The amount of contact between the Whistle blower and the body



investigating the concern shall depend on the nature of the issue and the clarity of information provided.

- All Protected Disclosures should be addressed to the Ombudsperson of the Company or to the Whistle Officer in exceptional cases.

The details are as follows:

Particulars	Ombudsperson	Whistle Officer
Name	NT Shekar	Hariharan Subramanian
Designation	Manager HR - Admin	Director
Email Id	<a href="mailto:ntshekar@axxelent.com">ntshekar@axxelent.com</a>	<a href="mailto:hari@axxelent.com">hari@axxelent.com</a>
Contact Number	+91 98414 39391	+91 98410 46299

- On receipt of the protected disclosure the Ombudsperson shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure (Refer Annexure I for process flowchart)

## ACCOUNTABILITIES – DIRECTORS/EMPLOYEES/CUSTOMERS/ VENDORS

- Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern.
- Avoid anonymity when raising a concern.
- Follow the procedures prescribed in this policy for making a Disclosure.
- Co-operate with investigating authorities, maintaining full confidentiality.
- The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty Disclosures. Employees are expected to avoid invoking their rights under this Policy to settle personal scores or to give vent to their malicious intentions. Malicious allegations by employees may attract disciplinary action.
- A whistle blower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation.





7. Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the Subject and important evidence is likely to be destroyed.
8. In exceptional cases, where the whistle blower is not satisfied with the outcome of the investigation carried out by the ombudsperson, he/she can make a direct appeal to Whistle officer of the Company.

## **RIGHTS OF A SUBJECT**

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1. Subjects have the right to be heard and the Ombudsperson/Whistle Officer must give adequate time and opportunity for the subject to communicate his/her say on the matter
2. Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process.
3. Subjects have no right to ask for or be given information about the identity of the whistle blower.

## **INVESTIGATION RESULTS**

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Based on a thorough examination of the findings, the Ombudsperson/ Whistle Officer would recommend an appropriate course of action. Where an improper practice is proved, this would cover suggested disciplinary action, including dismissal, if applicable, as well as preventive measures for the future. All discussions would be minuted and the final report prepared.

The process of investigation will be based on the internal whistle-blower process of the company, involving reference to the Company Secretary and co-ordination with the respective functional / business heads of the company.

## **MANAGEMENT ACTION ON FALSE DISCLOSURES**

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An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further this policy may not be used as a defence by an employee against whom an adverse personnel action has been taken



independent of any disclosure made by him and for legitimate reasons or cause under Company rules and policies.

## **ACCESS TO REPORTS AND DOCUMENTS**

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All reports and records associated with ‘Disclosures’ are considered confidential information and access will be restricted to the Whistle blower, the Whistle Committee (If any), Whistle Officer, and respective functional / business heads of the company. ‘Disclosures’ and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at that time.

## **RETENTION OF DOCUMENTS**

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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 7 years.

## **REPORTS**

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The Ombudsperson will provide quarterly reports to the Whistle Officer on the number of complaints received during the period, with summary of the investigation. Such reports shall include details of any malicious, frivolous, or baseless complaints made by any employee.

## **AMENDMENT TO THE POLICY**

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The Company reserves its right to amend, suspend, modify or rescind this policy in whole or in part at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.



**PROCESS FLOWCHART**

