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**NOVA AGRITECH LIMITED**

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## **Whistle Blower/ Vigil Mechanism Policy:**

### **INTRODUCTION**

Nova Agritech Limited ("Company") has formulated this policy for all its employees to observe the highest degree of professional ethics in the conduct of their duties and responsibilities. Moreover, Section 177(9) of the Companies Act, 2013, as amended and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended require listed companies to frame a vigil mechanism/ whistle-blower policy for directors and employees to report genuine concerns.

Accordingly, the Company has framed this policy ("Policy") and the same shall be available at the website of the Company.

### **OBJECTIVE**

The purpose of this Policy is to further the commitment of the Company to the highest possible standards of ethical, moral and legal business conduct.

The main objectives of this Policy are:

- ✚ To provide a vigil mechanism to raise concerns of Unethical Practices in good faith and a fair framework consistent with the statutory environment for reporting and inquiry;
- ✚ To provide necessary safeguards for the protection of the Company's Stakeholders from reprisals or victimization, for whistle-blowing.

### **APPLICABILITY**

This Policy is an integral part of the Company's governance and internal control framework and Code of Conduct and the policy shall apply to:

- ✚ All the employees of the Company and its subsidiary,
- ✚ All the Directors on the Board of Directors of the Company and its subsidiary.

All of the above are individually and collectively referred to as a "Stakeholder(s)" of the Company.

## DEFINITIONS

- a) **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Listing Regulations.
- b) **“Authorized officer”** means the Officer appointed by the Board to discharge the designated functions under this Policy including assisting the Committee or Board in receipt, investigation etc., of the disclosures.
- c) **“Disciplinary Action”** means any action that can be taken on the completion of or during the investigation proceedings including but not limiting 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.
- d) **“Employee”** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- e) **“Investigator(s)”** means those person(s) authorised, appointed, consulted or approached by the Audit Committee and includes the auditors of the Company.
- f) **“Investigation Report”** means the report in which facts of the case, relevant evidence and details of the investigation conducted and final conclusion are documented.
- g) **“Investigation Subject”** means an employee and/or director and/or affiliates against or in relation to whom the Protected Disclosure has been made or evidence gathered during the course of an investigation.
- h) **“Motivated Complaint”** means a complaint who is found to be deliberately made false or motivated by revenge / enmity / mischief or considerations extraneous and outside the scope of Unethical Practices.
- i) **“Ombudsman”** refers to the ombudsman appointed by the aforesaid Audit Committee
- j) **“Unethical Practices”** include and shall not be limited to:
- ✓ A failure to comply with the Company's Code of Conduct;
  - ✓ A failure to comply with a legal obligation;
  - ✓ Dubious accounting practices or financial impropriety by staff;

- ✓ An act or an omission in the nature of criminal activity;
  - ✓ A serious breach of a law or governmental directive / regulation;
  - ✓ Any activity which has the potential to significantly damage the reputation of the Company;
  - ✓ An act that could or does cause harm to a customer of the Company;
  - ✓ Breaches relating to the accuracy or integrity of the Company's financial statements;
  - ✓ Acts which harm or could harm the health and safety of the Company's staff;
  - ✓ An act that has or which could cause damage to the environment;
  - ✓ An act or an omission that constitutes a threat or breach of a professional Code of Conduct;
  - ✓ A serious breach of internal policy; actions which are intended to conceal any of the above.
- k) **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- l) **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- m) **“Whistle Blower”** means an Employee or Director making a Protected Disclosure under this Policy.
- n) **“Whistle Officer”** or **“Committee”** means an Officer or Committee of persons who is nominated / appointed to conduct detailed investigation.

## PROCEDURE

- ✚ Where any Whistle Blower believes that any Stakeholder has indulged in Unethical Practices then he / she may alert the Ombudsman of the potential issues in order to uphold the corporate environment and protect the Company's reputation.  
(All the Stakeholders have an obligation to raise such concerns as soon as possible.)
- ✚ All the complaints/concerns shall be addressed to the Ombudsman and should be submitted under a covering letter signed by the Whistle Blower 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”.

**OMBUDSMAN DETAILS:**

Name	Mr. Ramesh Babu Nemani	Mr. K Srinivas Gunupudi
Designation	Chairman of Audit Committee	Chief Financial Officer
Email		srinivas.gunupudi@novaagri.in
Contact No.		91779 85789

In case of a complaint/concern against the Ombudsman, the same shall be addressed to the Audit Committee of the Company.

- ✚ The aforesaid protected disclosure shall be supported by critical information, documents and evidence, with supporting documents. If there is a doubt about whether a particular situation amounts to Unethical Practices, the Whistle Blower is encouraged to consult any of the member of the Ombudsman, prior to making the Protected Disclosure.

The Whistle Blower may also choose to raise the concern anonymously.

- ✚ The Ombudsman will be responsible for making a record of the details of the concern and appropriate action including disciplinary action will be taken in case of attempts to conceal, misinform or destroy evidence of the Protected Disclosure.
- ✚ If the protected disclosure is received by any executive of the Company other than as mentioned above, then the same should be forwarded to the Ombudsman for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- ✚ If prima facie it is found that there is material to the Protected Disclosure, the protected disclosure will be thoroughly investigated by the Investigator.
- ✚ The Ombudsman shall have right to call for any information/ document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under the Policy. All such information/documents shall be admissible as evidence and shall not be tampered with.

The identity of the Investigation Subject as well as process shall also be kept confidential.

- ✦ The Investigation Subject will be informed of the allegations at the appropriate stage and will be provided opportunities for a personal hearing along with an opportunity to respond to material findings contained in an Investigation Report. The Investigation Subject shall be free to engage a counsel at its own cost to represent him/her in the investigation proceedings.
- ✦ Ombudsman / Audit Committee may hire any External Investigators, if required, for investigations.
- ✦ The Whistle Blower is not required or expected to act as Investigator and do not have a right to participate in any investigative activities other than if requested by the Audit Committee or Ombudsman. However, the Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal reasons.
- ✦ The investigation shall be completed within 60 (sixty) days of the receipt of the Protected Disclosure. However, the mentioned timeline may exceed based on the nature and complexity of the allegations. The reasons for the extension shall be documented by the Ombudsman and submitted to the Audit Committee before the expiry of the 60 (sixty) days' timeframe.
- ✦ Annual review of the functioning of the whistleblower mechanism of the Company pursuant to Regulation 18(3) read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall be conducted by the Audit Committee

#### **DECISION / OUTCOME OF INVESTIGATION**

- ✦ An Investigation Report shall be prepared by the Ombudsman, after the completion of an investigation. All discussions of the proceedings would also be documented and

the final report shall be prepared subsequently. The report shall be submitted to the Audit Committee. The decision taken by Audit Committee shall be final and binding.

- ✦ If an investigation leads to the conclusion that an Unethical Practice has been committed, the Audit Committee shall initiate disciplinary or corrective action as deemed fit.

The recommendations can inter-alia be:

- To reprimand, take disciplinary action, and impose appropriate penalty/punishment; &/or
- To terminate or suspend any contract or arrangement or transaction vitiated by such Unethical Practices.

- ✦ If an investigation leads the Ombudsman to conclude that an Unethical Practice has not been committed, the Ombudsman shall recommend for closer of the complaint.

- ✦ In case it is proved that complaint was a Motivated Complaint, the Ombudsman shall recommend appropriate action against the Whistle Blower.

AFTER APPROVAL OF THE AUDIT COMMITTEE, NECESSARY ACTION WILL BE INITIATED AND OMBUDSMAN WILL MONITOR EXECUTION OF ACTION AS AGREED. THE OMBUDSMAN SHALL APPROPRIATELY COMMUNICATE THE DECISION TO THE WHISTLE BLOWER AS WELL AS THE INVESTIGATION SUBJECT.

## **DOCUMENTATION & RETENTION**

- ✦ All information/documents gathered by the Audit Committee and Ombudsman, as part of reporting or investigation, shall be kept confidential and safe to ensure that the same is not compromised or tampered with.
- ✦ All information related to reporting and investigation shall be kept in safe custody and its confidentiality will be ensured.

## **SAFEGUARD OF WHISTLE BLOWER AGAINST VICTIMIZATION**

- ✦ The Company shall ensure protection to the Whistle Blower and any other employee(s) assisting in the said investigation from any victimization. However, to discourage Motivated Complaint(s), only genuine Whistle Blowers will be accorded protection

from victimization.

- ✦ It is further clarified that protection under this Policy would not mean protection for filing a Motivated Complaint and/or protection from disciplinary action against the Whistle Blower which occurs on account of a poor job performance or misconduct independent of any Protected Disclosure. Only complaints in the nature of Unethical Practices, as defined in the definition, can be raised under the Policy.
- ✦ The Whistle Blower will continue to be bound by the terms and conditions of his/her contract of employment and the company's other policies and the Company shall make all endeavors to ensure that the identity of the Whistle Blower is kept confidential.

## NOTIFICATION

- ✦ The new employees shall be informed about the Policy by the HR department at the time of induction.
- ✦ The Policy as amended from time to time shall be posted on the website/ circulated to the employees and affiliates.

## AMENDMENT

The Board (including its duly constituted committees wherever permissible), shall have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy. This Policy shall automatically stand amended to reflect any changes to the SEBI Regulations, to the extent the same is the subject matter of this Policy.

**[This Policy is approved and adopted by the Board of Directors in their meeting held on February 27, 2023]**

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