

MEGASTAR FOODS LIMITED

WHISTLEBLOWER POLICY

1. OBJECTIVE

The objective of this policy is to provide employees an avenue to raise concerns, in line with the commitment of **MEGASTAR FOODS LIMITED** to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication. To provide necessary safeguards for protection of employees from reprisals or victimization, for reporting a concern in good faith

The another objective of the Policy is to provide employees the procedure for reporting in case of Leak of Unpublished price sensitive information and suspected Leak of Unpublished price sensitive information pursuant to Regulation 9A(6) of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

2. SCOPE & COVERAGE

This Policy covers all the Directors and Employees of the Company are eligible to make protected Disclosures under the policy. The protected Disclosures may be in relation to matters concerning the Company.

3. DEFINITIONS

3.1 **“Company”** means Megastar Foods Limited.

3.2 **“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 regulation 18 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

3.3 **“Protected Disclosure”** means any communication made in good faith that disclose or demonstrates information that may evidence unethical or improper activity.

3.4 **“Employee”** means every employer of the Company including the directors in the employment of the Company.

3.5 **“Investigator”** means those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee.

3.6 **“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.

3.7 **“Victim”** means an employee or director making a protected disclosure under this policy.



4. REPORTABLE MATTERS

The policy covers malpractices and events which have taken place/suspected to take place involving.

- Abuse of authority;
- Breach of contract;
- Leak of Unpublished Price Sensitive Information (UPSI);
- Negligence causing substantial and specific danger to public health and safety;
- Manipulation of company data/records;
- Financial irregularities, including fraud, or suspected fraud, bribery;
- Wastage/misappropriation of company funds/assets;
- Breach of code of conducts;
- Any other unethical, favored, imprudent event;
- Any offence of material nature;

5. FALSE COMPLAINTS

While this policy is intended to protect genuine vigil mechanism from any unfair treatment as a result of their disclosure, misuse of this protection by making frivolous and bogus complaints with malafide intentions is strictly prohibited.

Personnel who makes complaints with malafide intentions and which are subsequently found to be false will be subject to strict disciplinary action.

6. POLICY FOR DIRECTORS AND EMPLOYEES

- To provide good and effective communication to employees which will need to be in more than one language, including a vernacular language.
- To provide complete confidentiality of the employees is maintained.
- To make sure that the protected Disclosure i.e. person against or in relation to whom a protected disclosure has been made, is provided with a reasonable opportunity of being heard.
- To make sure that the evidence of the protected disclosure is not concealed and appropriate action including disciplinary action is taken in case of attempts to conceal or destroy evidence.
- To maintain adequate and auditable documentation of all the concerns or complaints receive and investigation working papers etc.
- Audit Committee shall take suitable action against the protected disclosures.

7. MANNER IN WHICH CONCERN CAN BE RAISED

EMPLOYEES CAN MAKE PROTECTED DISCLOSURE TO THE Chairman of the Audit Committee, as soon as possible but not later than 30 consecutive days after becoming aware of the same, who shall refer the same to Audit Committee of the Company.



However, in case the whistle blower is a Director of the company, he/she shall directly refer the matter to the chairman of the Board.

Victim must put his/her name to allegation. Concerns expressed anonymously will not be investigated.

To the extent possible, the Complaint or protected disclosure must include the followings:

1. The name/details of the employee, and/or outside party or parties involved;
2. The sector of the company where it happened (division, office);
3. When did it happen: a date or a period of time;
4. Type of concern (what happened);
 - a) Financial reporting;
 - b) Legal matter;
 - c) Management action;
 - d) Employee misconduct
 - e) Health & safety and environmental issues etc.;
5. Submit proof or identity where proof can be found, if possible;
6. Who to contact for more information, if possible; and/or
7. Prior efforts to address the problem, if any.

8. ENQUIRY MECHANISM

All Complaints received will be recorded and looked into. If initial enquiries by investigator indicate that the concern has no basis, or it is not a matter to be pursued under this policy, it may be dismissed at this stage and decision documented.

Where initial enquiries indicate that further investigation is necessary this will be carried through either by investigator alone or by committee nominated by the officer for this purpose. The investigation would be conducted in a fair manner, as a natural justice and equity would be followed. A written report of finding would be made.

The Audit Committee shall:-

- i. Make a detailed written record of the protected disclosure. The record will include:
 - Facts of the matter;
 - Whether the same protected disclosure was raised previously by anyone, and if so, the outcome thereof;
 - Whether any protected disclosure was raised previously against the same subject;
 - The financial/otherwise loss which has been incurred/would have been incurred;
 - Findings of investigator;
- ii. The Audit Committee may depute the internal audit team or a team of such persons (whether from within the organization or hire persons from outside) to investigate into any matter within the scope defined by the committee.
- iii. The Audit Committee shall finalize the report within 90 days of receiving the complaints.
- iv. In case the protected disclosure is proved, take such disciplinary action as it may think fit and take preventive measures to avoid reoccurrence of the matter.



- v. In case of matters of high concern, the Audit Committee may refer the matter to Board for taking such disciplinary/other actions as it may deem fit.
- vi. In case the protected disclosure is not proved, extinguish the matter.

In exceptional cases, where the victim is not satisfied with the outcome of the investigation and the decision, she/he can make a direct appeal to the chairman of the Audit Committee.

9. INVESTIGATION RESULTS

Based on a through examination of findings, the committee would recommend an appropriate course of action to the chairman & Managing Director of the Company. Where an improper practice is proved, this would cover suggested disciplinary action, including dismissal, if applicable, as well as preventing measure for the future. All discussion would be noted and the final report prepared.

10. REPORTING AND REVIEW

The officer shall submit a quarterly report of the protected disclosures, received and of the investigation conducted, and of the action taken to the Audit Committee of the Board of Directors of the Company.

The Audit Committee shall have power to review any action or decision taken by the officer.

11. DISPLAY

The vigil mechanism (whistle blower policy) shall be uploaded on the Company's website and intranet along with constitution of the whistle blower committee.

12. AMENDMENTS

This policy can be modified or repealed at any time by the Board of Directors of the Company.

This Policy is amended and approved by the Board on and effective from 30 May 2022.



ANNEXURE - I

This whistle Blower may send the complaint via email or physically to chairman of the Audit Committee. The details of the chairman of the Audit Committee are as follows:-

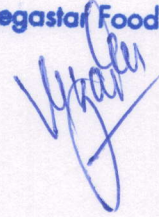
In case of complaint via e-mail:- the complaint may be reported/send via email on the email id mittalamits@yahoo.co.in

In case of physical Complaints: The same may be reported/send in the sealed envelope at the below mentioned address:

To,

The Chairman – Audit Committee
C/o Company Secretary
Megastar Foods Limited
Plot No. 807, Industrial Area,
Phase-II Chandigarh -160102

For Megastar Foods Limited



Director