



SOTAC PHARMACEUTICALS LIMITED

(Formerly Known as Sotac Pharmaceuticals Private Limited)

CIN: L24230GJ2015PLC085451

VIGIL MECHANISM (WHISTLE BLOWER) POLICY



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INTRODUCTION

Employees of M/s. SOTAC PHARMACEUTICALS LIMITED “(SPL)” demonstrate behaviors aligned to corporate values and discharge their duties and responsibilities while observing highest standards of business and personal ethics.

Sotac Pharmaceuticals Limited believes in the conduct of its affairs in a fair and transparent manner to foster professionalism, honesty, integrity and ethical behavior. SPL is committed towards developing a culture where it is safe for all the Stakeholders to raise concerns about any misconduct or unacceptable practice.

As per the provisions of Section 177(9) of the Companies Act, 2013, read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates every listed company or such class or classes of companies as prescribed to establish a vigil mechanism for directors and employees to report genuine concern or grievances. As SPL falls under the prescribed class of companies, policy for vigil mechanism (whistle blower) is being established. Our Whistle Blower Policy / Vigil Mechanism encourages disclosure in good faith of any wrongful conduct on a matter of general concern and protects the whistle blower from any adverse personal action.

OBJECTIVE

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 their concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the Management about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc.

The "Vigil Mechanism Policy" or the "Whistleblower Policy" is framed and implemented with the purpose to give protection to the persons who thrive to abide by the compliances as per the policies and laws as applicable to Company from time to time. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

SCOPE OF THE POLICY

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of the Company's Code of Conduct
2. Breach of Business Integrity and Ethics
3. Breach of terms and conditions of employment and rules thereof
4. Intentional Financial irregularities, including fraud, or suspected fraud



5. Deliberate violation of laws/regulations
6. Gross or Willful Negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of company data/records
8. Gross Wastage/misappropriation of Company funds/assets

DEFINITIONS:

“**Audit Committee**” means the Audit Committee, by whatever name called, constituted by the Board of Directors of the Company in compliance with Section 177 of the Companies Act, 2013.

“**Company**” means Sotac Pharmaceuticals Limited.

“**Disciplinary Actions**” means any action that can be taken on the completion of /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.

“**Director**” means a director appointed on the Board of the Company.

“**Designated Officer**” means Chairman of the Audit Committee or such other officer of the Company who shall be expressly designated for the purpose of this mechanism.

“**Employee**” means every employee on the pay rolls including those on deputation, contract, temporary, probationer, apprentice, trainee, part time employees / workers, full time consultants, holding permanent, honorary, ad hoc, voluntary or short term positions.

“**Good faith**” means 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 to be 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.

“**Individual**” means the person who makes disclosure under this mechanism.

“**Policy**” or “**this Policy**” means “Vigil Mechanism / Whistle Blower Policy”.

“**Protected Disclosure**” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity with respect to the Company. However, the Protected Disclosures should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

“**Wrongdoer**” means a person or group of persons against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

“**Whistle Blower**” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant



ELIGIBILITY

All Directors and Employees of the Company are eligible to make disclosures under the policy in relation to alleged Wrongful conduct.

APPLICABILITY

This mechanism shall, in relation to the Company, apply to all the:

- i. Directors
- ii. Employees
- iii. Trainees
- iv. Any other person as may be decided by the Board of Directors of the Company.

COVERAGE

The following activity, events may be brought to the notice of the designated officer:

- i. Violation of Code of Conduct of the Company.
- ii. Unethical, immoral, biased conduct or behavior.
- iii. Abuse of the power or authority given.
- iv. Breach of contract.
- v. Tampering or manipulating any data and records of the company.
- vi. Any activity, malpractice or wrongdoing which may be harmful for the persons working in or for the company or for the Company's image.
- vii. Financial irregularities and any type of fraud.
- viii. Misappropriation of the Company's funds.
- ix. Any activity which is criminal and illegal in nature.
- x. Negligence, lapse causing harm to environment or health, safety of the employees of the Company or public.
- xi. Concealment of above activities.
- xii. Such other issue as may be prescribed by the Audit Committee.

PROCEDURE TO BE FOLLOWED UNDER THIS MECHANISM

Disclosure

Any person may disclose, preferably in writing the following,

- i. Brief details of malpractice found or discovered,
- ii. Name of the alleged wrongdoer,
- iii. Evidence, if any, to support the allegation,
- iv. Remedial Actions required to be taken,
- v. Any other relevant details



The disclosure may be made within 30 days of being aware of the event to the designated officer of the Company. The time limit of 30 days may be extended at the discretion of the designated officer, after considering the circumstances.

The individual making the said disclosure may disclose his / her identity to the designated officer. The identity of the person reporting the malpractice will be kept confidential if the same is provided with a condition to keep it anonymous.

Note: In exceptional cases, the Individual making disclosure can have direct access to the Chairman of the Audit Committee

INVESTIGATION

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment.

If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination.

Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

A Complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the vigilance officer of the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the company.

CONFIDENTIALITY

The Complainant, vigilance officer, members of Audit Committee, the subject and everybody involved in process shall, maintain confidentiality of all matters under this policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

PROTECTION

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 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.



DISQUALIFICATION

While it will be ensured that genuine Whistle Blower are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

Protection under this policy would not mean protection from any disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a malafide intention.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be malafide, frivolous or malicious, shall be liable to be prosecuted.

ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access chairman of the Audit Committee directly in exceptional cases and the chairman of the Audit committee is authorized to prescribe suitable directions in this regards.

COMMUNICATION

Directors and employees shall be informed of the policy by publishing on the website of the Company.

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 Five years or such other period as specified by any other law in force, whichever is more.

AMENDMENT

The Company Reserves it's right to amend or modify this policy in whole or in part, at any time without assigning any person whatsoever. However, no such amendment or modification will be binding on the Directors and employees unless the same is not communicated in the manner described as above.



SAMPLE FORMAT FOR WHISTLE BLOWING

Date	:	
Name of the Employee/Director	:	
E-Mail ID of the Employer/ Director	:	
Communication Address	:	
Contact No.	:	
Subject Matter which is Reported	:	
Name of the Person/Event focused at	:	
Brief about the concern	:	
Evidence (enclose, if any)	:	
