

ADVANCED ENZYME TECHNOLOGIES LIMITED

Vigil Mechanism / Whistle Blower Policy (“Policy”)

(Approved by the Board of Directors of the Company at its meeting held on 25th March, 2015; Further revised with the approval of the Board at its meeting held on March 23, 2019, effective from April 01, 2019 – in supersession of the earlier Policy)

The Company believes in the conduct of the affairs of its various constituents in a fair and transparent manner, by adopting the highest standards of professionalism, honesty, integrity and ethical behavior and open communication.

Accordingly, the Whistle Blower Policy has been formulated with a view to provide a mechanism for associates of the Company to approach the Chairman of the Audit Committee of the Company to, inter alia, report to the management, instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s policy.

Objective

- To establish a mechanism for Employees (defined below) to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company’s ethics policy.
- To provide a framework to promote responsible and secure whistle blowing. It protects Employees wishing to raise a concern about serious irregularities within the Company.
- To provide necessary safeguards for protection to Employees from reprisals or victimization, for whistle blowing in good faith.

The Policy neither releases an Employee from their duty of confidentiality, in the course of their work, nor is it a route for taking up a grievance about a personal situation.

Definitions

The definitions of some of the key terms used in this Policy are given below:

- (a). **“Audit Committee”** means the Audit Committee of the Company, constituted by the Board of Directors of the Company in compliance with the Companies Act, (including any statutory modifications or re-enactment thereof).
- (b). **“Employee”** means any employee of AETL, including the Directors who are in whole time employment.
- (c). **“Whistle Blower”** means an Employee raising a Protected Disclosure under this Policy.
- (d). **“Subject”** means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- (e). **“Protected Disclosure”** means any concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- (f). **“Code”** means the Code of General Business Conduct.
- (g). **“Employee Policy Handbook”** means AEL Employee policy handbook.
- (h). **“Disciplinary Action”** 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.
- (i). **“AETL” / “the Company”** specifically for the purpose of this policy shall mean Advanced Enzyme Technologies Limited.
- (j). **“Unpublished Price Sensitive Information” (“UPSI”)** means any information, relating to the 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 if any;
 - iii. change in capital structure;
 - iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
 - v. changes in key managerial personnel;(including any amendment(s) from time to time)

Other Words & expressions used & not defined herein shall have the meaning as prescribed under the SEBI (Listing Obligations & Disclosure Requirements), Regulations 2015, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Companies Act, 2013 & rules made thereunder (including all statutory modification(s), from time to time)

Scope

This policy is an extension of the Code and Employee Policy handbook. The role of a Whistle Blower is to bring to the notice of the appropriate authority any Protected Disclosure.

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

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 such person/(s); ensure complete confidentiality.
3. Not attempt to conceal evidence of the Protected Disclosure;
4. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
5. Provide an opportunity of being heard to the persons involved especially to the Subject;

A Whistle Blower is not required or expected to act as investigator or finder of facts. A Whistle Blower is also not required or expected to determine or suggest the appropriate corrective or remedial action that may be warranted in a given case.

Eligibility

All permanent Employees and Directors of AETL and its Indian subsidiaries are eligible to raise Protected Disclosure under the Policy. The Protected Disclosure raised should be in relation to matters concerning AETL group only.

Types of Protected Disclosures

The whistle blower policy is intended to cover malpractices and events which have taken place/ suspected to take place that:

- May lead to incorrect financial reporting,
- Leakage of confidential information and/or Unpublished Price Sensitive Information (“UPSI”),
- Any act or omission which is unlawful,
- Are fraud, relates to financial irregularity or forgery of documents,
- Pertains to corruption, theft, bribery, or blackmail,
- Sexual harassment,
- Breaches of copyright, patent and disclosure of confidential data/information to competitors/outsideers,
- Other criminal offences,
- Miscarriage of justice,
- Endangering the health or safety of any individual,
- Endangering the environment,
- Any violations to the Company’s ethical business practices
- Concealing any of the above,
- Abuse of authority,
- Otherwise amount to serious improper conduct or
- Any other event which would affect the interest of AETL

Employees are advised to report Protected Disclosure in writing, as soon as possible or preferably within 30 calendar days after becoming aware of existence of any fraudulent / illegal activity including any malpractice or event mentioned above. However, if the Employee is not able to report the same for any reason within said 30 days, s/he has a choice of reporting the incident at a later date as well.

An Employee may raise a protected disclosure by sending an email to vigilance@advancedenzymes.com. If initial enquiries by the Audit Committee indicate that the concern has no basis, or it is not a matter to be investigated or pursued under this Policy, it may be dismissed at this stage and the decision is documented and a note to this effect be circulated to the Board for their information. Where initial enquiries indicate that further investigation is necessary, this will be carried through the Audit Committee. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt.

Committee

A Committee titled “Audit Committee” has been constituted to investigate into serious concerns raised by an Employee. The committee in its present form comprises the following persons:

- a. Mr. Kedar Desai, Chairman and Independent Director
- b. Mr. R.T. Mehta Independent Director (upto March 31, 2019)
- c. Mr. Pramod Kasat Independent Director
- d. Mr. Rajesh Sharma Independent Director
- e. Mr. Vasant Rathi Non-Executive Director

To carry out the investigation, any 2 active Committee members will form the quorum of the committee alongwith the CFO or Head of Human Resources, as the case may be.

Disqualifications

- While it will be ensured that genuine Whistleblowers 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 disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.
- Whistle Blowers, who make any Protected Disclosure, which have been subsequently found to be *mala fide* or malicious, or Whistle Blowers who make more than 3 consecutive Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be severely reprimanded and also will be disqualified from reporting further Protected Disclosures under this Policy for a period of one year from the date of such last disclosure.

Retention of documents

All Protected Disclosures in writing are documented along with the results of investigation relating thereto and shall be retained by the Company for a minimum period of seven years.

Investigation Process

- The 'Employee' may choose to articulate details of the Protected Disclosure to the Head of HR or CFO of the Company in writing. Complaint shall be reported to the Committee. The Committee members shall keep the identity of Whistle Blower secret. It is assured that there will not be any victimization of the whistle blower.
- The Employee has to write to vigilance@advancedenzymes.com to submit his/her protected disclosure.
- On receipt of the disclosure, the Committee will look into it, to assess initially what action should be taken, depending on the merit of the case.
- The Employee must inform the Committee at the outset, in case there are any personal interests involved as the Committee may deem it necessary to interview the Employee, to obtain as much information as possible about the grounds for Employee's belief of Protected Disclosure.
- In case the Committee finds merit in the Protected Disclosure raised, it would proceed further with the investigation. The concerned person/s will be given an opportunity to present their views to the Committee.
- After examination of the complaint, the Committee will initiate action as appropriate depending on the seriousness of the concern and action.
- Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit.
- A detailed written report of the Protected Disclosure would be made. The record will include:
 - a) Facts of the matter
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether any Protected Disclosure was raised previously against the same Subject;
 - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e) Findings of Audit Committee;
 - f) The recommendations of the Committee on disciplinary/other action/(s).

- The Audit Committee shall finalise within 30 days of investigation.

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 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 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 Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

- a. The identity of the Whistle Blower shall be kept confidential.
- b. Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

Confidentiality

The Whistle Blower, the Subject, the Committee members and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time,
- e. keep the files under password

If anyone is found not complying with the above, s/he shall be held liable for disciplinary action as is considered fit.

Amendments to the Policy

This policy can be amended, changed, modified at any time by the Board of Directors of the Company.
