

SMS LIFESCIENCES INDIA LIMITED

WHISTLE BLOWER PROTECTION POLICY /VIGIL MECHANISM

I) INTRODUCTION

Pursuant to Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 AND Section 177(9) of the Companies Act, 2013 - Every listed company shall formulate a vigil mechanism for their directors and employees to report their genuine concerns or grievances.

Under the Whistle Blower Policy ('the Policy'), Employees and Directors of the Company and its subsidiaries can report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics, without fear of punishment for such disclosure or unfair treatment.

II) Definitions

Definitions of some of the key terms used in this mechanism are given below:

- a. **Audit Committee:** An audit committee is an operating committee formed by the Board of Directors in accordance with Section 177 of the Companies Act 2013 read with Regulation 17 of the SEBI (Listing obligations and Disclosure Requirement) Regulations, 2015
- b. **Employee** means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.
- c. **Investigators** mean those persons authorised, appointed, consulted or approached by the Ethics Counsellor/Chairman of the Audit Committee and includes the auditors of the Company and the police.
- d. **Protected disclosure:** Any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the company.
- e. **Whistle blower:** An individual who makes a protected disclosure under this mechanism. This could be an Employee, Director, Vendor, Supplier, Dealer and Consultant, including Auditors and Advocates.

III) SCOPE

- a. To act as an additional internal element of the Company's compliance and integrity policies.
- b. Seeks to ensure that anyone who is aware (director or employee of the company) of a breach of Company policies and procedures, suspected or actual frauds and embezzlement, illegal,

unethical behavior or violation of company's code of conduct or ethics etc., feels free to bring this to the attention of appropriate personnel in the Company, without fear of victimization, harassment or retaliation.

IV) ELIGIBILITY

All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy

V) PROCEDURE

- a. All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- b. In respect of all other Protected Disclosures, those concerning the Ethics Counsellor and employees at the levels of Vice Presidents and above should be addressed to the Chairman of the Audit Committee of the Company and those concerning other employees should be addressed to the Ethics Counsellor of the Company
- c. The contact details of the Chairman of the Audit Committee and of the Ethics Counsellor of the Company are as under:
- d. The Protected Disclosure should be submitted under a covering letter signed by the complainant 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". If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.
- e. If a protected disclosure is received by any executive of the Company other Page 4 of 7 than Chairman of Audit Committee or the Ethics Counsellor, the same should be forwarded to the Company's Ethics Counsellor or the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential
- f. Anonymous / Pseudonymous disclosure shall not be entertained.

VI) 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 regard.

In relation to matters concerning the Company.

VII) DISQUALIFICATIONS:

- a. 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.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.

c. Whistleblowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

VIII) CONFIDENTIALITY

The complainant, Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the 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.

IX) 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. Adequate safeguards against victimization of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

X) INVESTIGATION

- a. All Protected Disclosures reported under the policy will be thoroughly investigated by the Nominated Director or the Investigators so appointed under the authorization of the Nominated Director.
- b. Investigators are required to conduct a process towards fact findings and analysis. Investigators shall derive the authority from the Nominated Director when acting within the course and scope for their investigation.
- c. If the Nominated Director or Investigator involved in the investigation has a conflict of interest in a given case, they should recuse themselves and the other member of the Committee would deal with the matter on hand.
- d. The Nominated Director / Investigator as it deems fit, may call for further information from the whistleblower.
- e. The Nominated Director shall inform the Committee about the receipt of Protected Disclosure and the action being taken.
- f. The Nominated Director himself or with the help of Investigator shall carry out detailed investigation if the reported disclosure is found to be correct.
- g. The identity of the Subject will be kept confidential to the extent possible.
- h. Subjects will normally be informed of the allegations and have opportunities for providing their inputs during the investigations.
- i. The Nominated Director / Investigator shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Committee as soon as practically possible and in any case, not later than 60 days from the date of receipt of

the Protected Disclosure. Committee may allow additional time for submission of the report based on the circumstances of the case.

- j. If an investigation leads to a conclusion that an improper or unethical act has been committed, the Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- k. The Nominated Director will ensure action on the recommendations of the members of the Committee and keep the Whistleblower informed of the same.

XI) REVIEW

The Board of Directors shall review the policy periodically and amend or modify this policy in whole or in part, as required at any time

Contact details:

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