

**VIGIL MECHANISM / WHISTLE BLOWER POLICY
OF
KORE FOODS LIMITED**

1. As per Section 177(9) of the Companies Act 2013 every Listed Company shall establish a Vigil Mechanism for Directors and Employees to report genuine concerns in such manner as per Rule 7 of the companies (Meetings of Board and its Powers) Rules 2014. The Clause 49 of the Listing Agreement also requires a Vigil Mechanism for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy.

The Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional case.

2. **Scope of the Policy:**

The policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the company is affected and formally reported by whistle blowers concerning its employees.

“Whistle blower” is an employee or group of employees who make a protected Disclosure under this policy and also referred as complaint.

“Subject” means a person or group of persons against or in relation to whom a protected Disclosure is made or evidence gathered during the course of an investigation.

“Protected Disclosure” means a concern caused 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 within the scope of the policy with respect to the company. 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.

‘Employee’ means all the present employees and Chairman and Managing Director/ Whole Time Director of the company.

‘Nodal Officer’ means an officer of the company nominated by the Chairman and Managing Director / Whole Time Director to receive protected Disclosures from Whistle blower, maintaining records thereof, placing the same before the ‘Audit Committee’ for its disposal and informing the Whistle blower the result thereof.

‘Audit Committee’ means a committee constituted by the Board of Directors of the Company.

3. **RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES**

- 3.1 Protected Disclosures should be reported in writing by the complainant as soon as possible after the whistle blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Konkani

- 3.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected Disclosure under the Whistle Blower Policy”. If the complaint is not super scribed and closed as mentioned above it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the nodal officer will not issue any acknowledgement to the complainant and the complainants are advised neither to write the name / address of the complainant on the envelope nor to enter into any further correspondence with the nodal officer / audit committee.

The audit committee assures that in case any further clarification is required he will get in touch with the complainant.

3.3 Anonymous / pseudonymous disclosure shall not be entertained by the Nodal Officer.

3.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Nodal officer / MD / CFO / Chairman of Audit Committee shall detach the covering letter bearing the identity of the whistle blower and process only the Protected Disclosure.

3.5 All protected Disclosures should be addressed to the Nodal Officer of the Company. The contact details of the Nodal officer is as under:-

Address of Nodal Officer -	Mrs Shalini Lobo Kore Foods Limited Vision House, Tivim Industrial Estate, Karaswada
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3.6 Protected Disclosures against the Nodal Officer should be addressed to the Chairman and Managing Director / Whole Time Director of the Company and the Protected Disclosure against the MD / WTD of the company should be addressed to the Chairman of the Audit Committee. The Contact details of the CMD / WTD / and the Chairman of the Audit Committee are as under:

Name of MD	Mr John Silveira
Name of CFO	Shalini Lobo
Name of the Chairman of the Audit Committee	Mr Sadashiv Shet

Name of the Nodal Officer	Mrs Shalini Lobo
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Address for communication	Kore Foods Limited Vision House, Tivim Industrial Estates, Karaswada Mapusa Goa
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3.7 On receipt of the Protected Disclosure, the Nodal Officer / MD / CFO / Chairman of the Audit Committee shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not before referring the matter to the Audit Committee of **The Kore Foods Limited** for further appropriate investigation and needful action. The record will include:

- a) Brief facts;
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether the same Protected Disclosure was raised previously on the same subject;
- d) Details of actions taken by Nodal Officer / MD / CFO for processing the complaint.
- e) Findings of the Audit Committee;
- f) The recommendations of the Audit Committee / other action(s).

3.8 The Audit Committee if deems fit may call for further information or particulars from the complainant.

4. INVESTIGATION

4.1 All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee (AC) may investigate and may at its discretion consider involving any other Officer of the Company including Vigilance and Security Officer of the Company for the purpose of investigation.

- 4.2 The decision to conduct an investigation taken by the AC is by itself not an accusation and is to be treated as a neutral fact finding process.
- 4.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 4.4 Subject(s) shall have a duty to co-operate with the AC or any of the Officers appointed by it in this regard to the extent that such cooperation will not compromise self incrimination protections available under the applicable laws.
- 4.5 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 4.6 Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 4.7 Subject(s) have a right to be informed of the outcome of the investigations.
- 4.8 The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the AC deems fit and as applicable.

5. DECISION AND REPORTING

- 5.1 Audit Committee along with its recommendations will report its findings to the MD / CFO through the Nodal Officer within 15 days of receipt of report for further action as deemed fit. In case prima facie case exists against the subject, then the MD / CFO shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of above decision shall be addressed to the Audit Committee, the Nodal Officer, the complainant and the subject.
- 5.2 In case the subject is a Nodal Officer of the Company, the protected disclosure shall be addressed to the MD / CFO who, after examining the protected disclosure shall forward the matter to the Audit Committee. The Audit Committee after providing an opportunity to the subject to explain his position and after complete of investigation shall submit a report along with its recommendation to the MD / CFO. After considering the report and recommendation as aforesaid, MD / CFO shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of the above decision shall be addressed to the Audit Committee, the Nodal Officer, the Complainant and the subject.
- 5.3 In case the Subject is the MD / CFO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the Protected Disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 5.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 5.5 A complainant who makes false allegations of unethical & improper practices or about wrongful conduct of the subject to the Nodal Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

6. SECRECY / CONFIDENTIALITY

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

the process shall:

1. Maintain confidentiality of all matters under this Policy.
2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
3. Not keep the papers unattended anywhere at any time.
4. Keep the electronic mails / files under password.

7. 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 Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like realization, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion 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 Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the audit committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

8. 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.

9. COMMUNICATION

A whistleblower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the web site of the Company.

10. RETENTION OF DOCUMENTS

All Protected Disclosures documented along with the results of Investigation relating thereto, shall be retained by the Nodal Officer for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

11. ADMINISTRATION AND REVIEW OF THE POLICY

The Chairman and Managing Director / Whole Time Director shall be responsible for the administration, interpretation, application and review of this policy. The Chairman and Managing Director / Whole Time Director also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

12. ANNUAL AFFIRMATION

The Company shall annually affirm that it has provided protection to the complainant from unfair adverse personal action. The affirmation shall also form part of Corporate Governance report which is attached to the Annual report of the Company.

AUDIT COMMITTEE

The Role of Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) if any the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower Mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as the Board may refer from time to time.

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The Appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

Significant related party transactions as defined by Audit Committee include:

- 1.a) i) sale, purchase or supply of any goods or materials directly or through or through appointment of agents exceeding twenty-five per cent of the annual turnover;
 - ii) selling or otherwise disposing of, or buying, property of any kind directly or through appointment of agents exceeding ten per cent of net worth;
 - iii) leasing of property of any kind exceeding ten per cent of the net worth or exceeding ten per cent of turnover;
 - iv) availing or rendering of any services directly or through appointment of agents exceeding ten per cent of the net worth;
- b) appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and half lakh rupees; or
- c) remuneration for underwriting the subscription of any securities or derivatives thereof of the company exceeding one per cent of the net worth.

Turnover or Net Worth referred to above shall be on the basis of the Audited Financial Statement of the preceding Financial year.

- 2) Transactions to be entered into individually or taken together with previous transactions during the financial year, exceeds 5 (five) percent of the annual turnover or 20 (twenty) percent of the net worth of the company as per the last financial statements of the company, whichever is higher.

POLICY ON RELATED PARTY TRANSACTIONS

A. Introduction

It is The Kore Foods Limited (hereinafter referred to as “ **the Company**”) Policy that related party transactions are conducted at arm’s length basis with any such transaction being on no less favourable than terms available to any unconnected third party under the same or similar circumstances.

B. Application of the policy

This Policy applies to the company’s Directors and Senior Managers. Related Party Transactions constitute a conflict of interest within the meaning of the company’s code of corporate governance. This Policy is not intended to conflict with any applicable laws or regulations and if any such conflict occurs the requirements of the law or regulation shall prevail.

C. Review and Approval procedures

Directors shall disclose to the Board, through the Company Secretary, details of all their relatives, other directorships, firms in which they or their relatives are partners, private companies in which the Director is a member or director, public companies in which the Director is a director or holds along with his relatives more than two percent of its paid-up share capital, any body corporate whose Board of directors, managing director, or manager is accustomed to act in accordance with the advice directions or instructions of a Director or Manager and any person on whose advice, directions or instructions a director or manager is accustomed to act. The key managerial personnel should disclose their relatives. Any changes in the particulars must be informed promptly to the Board of directors through the Company Secretary.

The Directors and Key Managerial Personnel shall inform immediately the Board through the Company Secretary of any proposed related party transactions as soon as they become aware of it. It is the responsibility of the Director(s) or Key Managerial Personnel who are interested in a proposed Related Party Transaction(s) to inform the Board, through the Company Secretary and obtain approval prior to entering into the transaction. Interested Director(s) / Key Managerial Personnel shall not be present at the meeting during discussions on the subject matter of the resolution(s).

D. Identification of Related Party

Transactions For purposes of this policy

- I. A related party transaction is a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged.
- II. A ‘related party’ is a person or entity that is related to the company.
Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party, directly or indirectly, in making financial and/or operating decisions and includes the following:
 1. A person or a close member of that person’s family is related to a company if that person:
 - a. is a related party under Section 2(76) of the Companies Act, 2013 or
 - b. has control or joint control or significant influence over the company; or
 - c. is a Key Management Personnel of the company or of a parent of the company; or

An entity is related to a company if any of the following conditions apply:

- a. The entity is a related party under Section 2(76) of the companies Act, 2013; or
- b. The entity and the company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others); or
- c. One entity is an associate or joint venture of the other entity (or an associate or joint

- venture of a member of a group of which the other entity is a member); or
- d. Both entities are joint ventures of the same third party; or
- e. One entity is a joint venture of a third entity and the other entity is an associate of the third entity; or
- f. The entity is a post-employment benefit plan for the benefit of employees of either the company or an entity related to the company. If the company is itself such a plan, the sponsoring employers are also related to the company; or
- g. The entity is controlled or jointly controlled by a person identified in (1).
- h. A person identified in (1) (b) has significant influence over the entity (or of a parent of the entity).

“Control” as defined under clause 49 of the Listing Agreement includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreement or voting agreements or in any other manner.

“Related Party” is defined under Section 2(76) of the Companies Act 2013 as

- i) a director or his relative
- ii) a key managerial person or his relative
- iii) a firm in which a director, manager or his relative is a partner
- iv) a private company in which a director or manager is a member or director;
- v) a public company in which a director or manager is a director or holds along with his relatives, more than two percent of its paid-up share capital.
- vi) any body corporate whose Board of directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager;
- vii) any person on whose advice, directions or instructions a director or manager is accustomed to act provided nothing vi & vii above shall apply to the advice, directions or instructions given in a professional capacity.
- viii) any company which is an associated company of such company
- ix) a director or key managerial personnel of the holding company or his relative with reference to a company shall be deemed to be a relative party.

A transaction with a related party shall be considered material if the transaction / transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds five percent of the annual turnover or twenty percent of the net worth of the company as per the last audited financial statements of the company, whichever is higher.

E. All Related Party Transactions other than transactions entered into by the company in the ordinary course of business at arm’s length basis shall require prior approval of the Audit committee.

F. All material Related Party Transactions shall require approval of the shareholders through special resolution and the related parties shall abstain from voting on such resolutions.

G. Disclosures

1. Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on corporate governance.

2. The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report.

Where any contract or arrangement is entered into by a director or any other employee, without obtaining the consent of the Board or approval by a special resolution in the general meeting under sub-section (1) and if it is not ratified by the Board or, as the case may be, by the shareholders at a meeting within three months from the date on which such contract or arrangement was entered into, such contract or arrangement shall be voidable at the option of the Board and if the contract or arrangement is with a related party to any director, or is authorized by any other director, the directors concerned shall indemnify the company against any loss incurred by it.

H. Policy review

The Audit Committee shall review and assess the adequacy of this policy at least annually and recommend for approval by the Board any changes it considers necessary.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL (Pursuant to Sub Clause II(E) of Clause - 49 of the Listing Agreement)

I. CODE OF CONDUCT FOR BOARD OF DIRECTORS:

Directors shall:

- Adopt highest standards of personal and professional integrity and ethical conduct.
- Act diligently, openly, honestly and in good faith
- Provide leadership in advancing the company's vision, values and guiding principles
- Attend and actively participate in regular and special meetings of Board and Committees on which they serve
- Maintain the confidentiality of all the details about the company
- Understand the Company's principal business plans, strategies and objectives, operational results, financial condition and relative market place position
- Declare / disclose any change in their employment, other board positions committee memberships immediately from the date of change
- Disclose relationship with other business, charitable, conflicts of interest, which may interfere with their ability to perform their function as Director
- Disclose shareholding in the Company and the changes thereof immediately
- Devote their full attention to the business interest of the Company
- Not engage in any activity which is prejudicial to the interest of the Company

II. CODE OF CONDUCT FOR SENIOR LEVEL

EXECUTIVES: Executives shall:

- Abide by the ethical business conduct, uphold the standard in day to day activities, and comply with all applicable laws, rules and regulations
- Follow highest standards of personal and professional integrity, honesty and ethical conduct while working in the Company's premises or outside or in social events
- Avoid any conflict of interest with the Company's business policies / regulations and not to take part in any activity that may enhance, support competitors position
- Devote their full attention to the business interest of the Company and shall protect the assets and properties of the Company and ensure efficient use for the business of the Company
- Obtain approval from the Company before accepting any Directorship from other Companies
- Neither give nor accept any improper / illegal and unauthorized gratification for any purpose whatsoever
- Keep confidential all the information available through employment and not to use them for personal gain
- Continuously review, update and strive to improve the procedures and working methodology

