



VIGIL MECHANISM / WHISTLE BLOWER POLICY

PREFACE:

Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) inter alia, provides for a requirement for all listed companies to establish a mechanism called ‘Vigil Mechanism / Whistle Blower Policy’ for Directors and Employees to report their genuine concerns to the management

Accordingly, a Vigil Mechanism / Whistle Blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for Directors and Employees of **BAFNA PHARMACEUTICALS LIMITED** (The “Company”) to approach the Chairman of the Audit Committee of the Company and report instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct or ethics policy.

PURPOSE & OBJECTIVE:

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations, satisfying the Company’s Code of Conduct and Ethics. To maintain these standards, the Company encourages its employees who have concerns about a suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

This Policy provides a channel to the Employees and Directors to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy or applicable laws. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairperson / CEO / Whole Time Director / Chairman of the Audit Committee.

This 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rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, leak of unpublished price sensitive information and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers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

The policy neither releases Employees 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:

- a) **“Act”** means Companies Act, 2013, as amended from time to time.
- b) **“Audit Committee”** means Committee of Board of Directors of the Company constituted under provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015.
- c) **“Board”** means the Board of Directors of the Company.
- d) **“Company”** means the Bafna Pharmaceuticals Limited (“Bafna”).
- e) **“Code”** means Code of Conduct for Directors and Senior Management Executives adopted by the Company.
- f) **“Employee”** means all the present employees and including Whole-time Directors, Managing Director and Key Managerial Personnel of the Company.
- g) **“Investigator”** means an Officer or Committee of persons who is nominated/appointed to conduct detailed investigation.
- h) **“Key Managerial Personnel” or “KMP”** means Key Managerial Personnel as defined under the Companies Act, 2013 which consist of:
 - (i) Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
 - (ii) Company Secretary; and
 - (iii) Chief Financial Officer.
- i) **“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.
- j) **“Subject”** 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.
- k) **“Unpublished Price sensitive information”** shall have the same meaning assigned to it under the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment thereon.
- l) **“Whistle Blower / Complainant”** means a Director or an Employee or group of employees who make a Protected Disclosure under this Policy.



Any term not defined under this Policy shall have the same meaning as provided under the Companies Act, 2013 and the Rules made thereunder and SEBI (LODR) Regulations, 2015, and other legislations, as amended and applicable from time to time.

ELIGIBILITY

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

PROCEDURE

- 1) All 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. All Protected Disclosure should be addressed to the “Compliance Officer” and “Chairman of Audit Committee”. The contact details of the Compliance Officer and Chairman of the Audit Committee is provided hereunder:

Compliance Officer

“Bafna Pharmaceuticals Limited”

New No.68, Old No.299, Thambu Chetty Street,
Chennai – 600001.

E-Mail: cs@bafnapharma.com

Chairman of the Audit Committee

“Bafna Pharmaceuticals Limited”

New No.68, Old No.299, Thambu Chetty Street,
Chennai – 600001.

- 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”. Alternatively, the same can also be 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, 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.
- 3) In order to protect the identity of the complainant, no acknowledgement will be issued to the complainant and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Compliance Officer / Chairman of the Audit Committee.



- 4) Any Anonymous / Pseudonymous disclosure shall not be entertained by the Compliance Officer / Chairman of the Audit Committee.
- 5) If Protected Disclosure is received by any executive of the Company other than the Compliance Officer or the Chairman of the Audit Committee or the CEO or the Whole Time Director of the Company, the same should be forwarded to the Compliance Officer for further action.
- 6) The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Compliance Officer / Chairman of the Audit Committee as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 7) The sealed cover shall be opened only by the Chairman of the Audit Committee in person. The Chairman of the Audit Committee shall take appropriate measures to maintain the confidentiality of the Whistle Blower's identity by detaching or concealing the details from the sealed cover before informing the members of the Audit Committee or initiating any investigation. The identity of the Whistle Blower shall be kept confidential to the extent possible and as permitted under applicable law.
- 8) Upon receipt of the protected disclosure the 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. He / She shall also carry out initial investigation either himself / herself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record shall include:
 - a) Brief Facts of the matter;
 - 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) The financial/other loss which has been incurred / would have been incurred by the Company;
 - e) Findings and action taken thereof.
- 9) The Audit Committee, if it deems fit, may call for further information or particulars from the complainant.

INVESTIGATION

- 1) All Protected Disclosures reported under this Policy shall be properly recorded and thoroughly investigated. The Audit Committee ("AC") may conduct the investigation



itself or, at its discretion, involve the Company's legal Counsels, Auditors and/or local law enforcement agencies and/or any other external investigation agency or any other professionals deemed appropriate for the purpose.

- 2) The decision to conduct an investigation shall not be construed as an accusation. It is to be treated as a neutral, fact-finding process.
- 3) Investigations shall be initiated only after a preliminary review by the Audit Committee, which determines that:
 - a) the alleged act constitutes an improper or unethical activity or conduct; and/or
 - b) the allegation is supported by information specific enough to warrant an investigation; or, in cases where such specific information is lacking, the matter is nevertheless considered significant enough to merit a management review.
- 4) The identity of the Complainant(s) shall be kept confidential to the extent possible, subject to the requirements of law and the legitimate needs of the investigation.
- 5) Unless there are compelling reasons to the contrary, the Subject(s) shall be informed in writing of the allegations at the commencement of a formal investigation and shall be given reasonable opportunity to provide their input during the process.
- 6) The Subject(s) shall have a duty to cooperate with the Audit Committee and/or any appointed Investigators during the course of the investigation. Subject(s) have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 7) The Investigators involved must act in an independent and unbiased manner, both in fact as well as perceived. Investigators shall act with fairness, objectivity, thoroughness, ethical behaviour, and must display the highest professional standards.
- 8) The Subject(s) shall not interfere with the investigation process. No evidence shall be withheld, destroyed, or tampered with, and witnesses shall not be influenced, coached, threatened, or intimidated by the Subject(s). Any violation of this clause will attract strong disciplinary action, including termination of employment.
- 9) Unless there are compelling reasons not to do so, the Subject(s) shall be given an opportunity to respond to the material findings contained in the investigation report. No allegation of wrongdoing against any Subject shall be deemed maintainable unless supported by credible evidence in support of the allegation.
- 10) The Subject(s) have a right to be informed of the outcome of the investigation. If the allegations are not sustained, the Subject(s) may be consulted on whether public



disclosure of the investigation results would be in their best interest and that of the Company. However, the Company's interest shall take precedence.

- 11) The investigation shall ordinarily be completed within Thirty (30) days from the date of receipt of the Protected Disclosure and such period may be extended by the Audit Committee, if deemed necessary.

DECISION & REPORTING

- 1) If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Management or the Board of Directors of the Company to take such disciplinary or corrective action as he may deem fit and the decision of the Management /Board of Directors shall be final.
- 2) The Compliance officer shall submit a report to the Chairman of the Audit Committee and to the Board of Directors on a periodic basis, about the complaints received under this Policy, the results of investigations, if any, and actions taken.

PROTECTION

- 1) 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 retaliation, 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.
- 2) 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 and the Board of Directors of the Company.
- 3) 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 Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies.

- 4) Any other Employee assisting in the investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

DISQUALIFICATIONS

- 1) While genuine Whistle Blowers shall be accorded complete protection from any kind of unfair treatment as provided under this Policy, any misuse or abuse of such protection will warrant appropriate disciplinary action.
- 2) A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject, to the Chairman of the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.
- 3) 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.
- 4) Whistle Blowers who make Protected Disclosures that are subsequently found to be mala-fide, malicious, or made in bad faith or who make three (3) or more Protected Disclosures that are found to be frivolous, baseless, or not made in good faith, shall be disqualified from making further Protected Disclosures under this Policy and may also be subject to appropriate disciplinary action.

CONFIDENTIALITY

The Complainant, the Chairman of the Audit Committee, the Subject, and all persons involved in the process shall:

- a) Maintain strict confidentiality of all matters arising under this Policy.
- b) Discuss such matters only to the extent necessary or with persons who are required to be involved for the purpose of completing the investigation process.
- c) Ensure that all related documents and papers are securely handled and not left unattended at any time.
- d) Protect all electronic communications and files related to the matter with appropriate password security.



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 a period of seven (7) years or such other period as specified by any other law in force, whichever is more.

DISCLOSURE OF THE POLICY

This Policy is displayed on the website of the Company www.bafnapharma.com for information of the Directors and Employees and as required by the Listing Regulations and Companies Act, 2013 and will be updated from time to time based on the amendments to the Policy.

AMENDMENT

The Board of Directors may in their discretion and on recommendation of any committee constituted thereof, make any changes/modifications and/or amendments to this Policy from time to time.

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over and automatically be applicable to this Policy and the relevant provisions of the Policy would be amended/modified in due course to make it consistent with the law.

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[This Policy was amended and approved by the Board of Directors at the Board Meeting held on 11th November, 2025.]