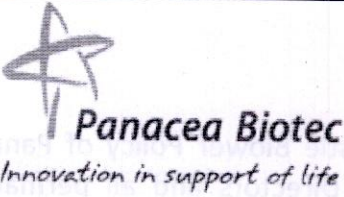


COMPANY POLICY

 <p>Panacea Biotec <i>Innovation in support of life</i></p>	VIGIL MECHANISM / WHISTLE BLOWER POLICY	Policy No. - PBL/CP/015 Supercede - PBL/CP/03 Availability - On Sharepoint w.e.f - 01.10.2014
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1. Preface:

Panacea Biotec Limited (hereinafter referred to as "the Company") has adopted a Whistle Blower Policy effective from 1st June, 2007 with a view to:

- (i) provide employees an avenue to raise serious and sensitive concerns regarding any unethical behaviour or suspected unethical and improper practices or wrongful conduct which employees in good faith believe to exist; and
- (ii) provide necessary safeguards for protection of such employees from reprisals or victimization.

The Company has also adopted a Code of Conduct ("the Code") for the Directors and Senior Management Personnel (as defined in the Code), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company.

The Companies Act, 2013 has now mandated that every listed Company shall establish a Vigil Mechanism/ Whistle Blower policy for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy.

The amended Clause 49 of the Listing Agreement with Stock Exchanges also, inter alia, contains requirement for establishment of Vigil Mechanism termed 'Whistle Blower policy' for the directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy.

In terms of Section 177(9) of the Companies Act, 2013 and Revised Clause 49 of Listing agreement, the Board of Directors of the Company had, in its meeting held on 30th May, 2014 approved this amended Policy after incorporating necessary changes in the existing policy, to be named as Vigil Mechanism/ Whistle Blower Policy.

2. Policy:

This policy shall be called Vigil Mechanism/Whistle Blower Policy of Panacea Biotec Limited and shall be applicable on the Directors and all permanent employees of the Company.

3. Objectives:

- i) To provide employees and directors an avenue to report genuine serious & sensitive concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy, in line with Panacea Biotec commitment to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication.
- ii) To provide necessary safeguards against victimisation of such employees and directors who avail of the Vigil mechanism in good faith.

4. Scope:

The Policy intends to cover the following information on serious and sensitive or suspected unethical and improper practices or wrongful conduct, which employees/directors in good faith believes to exist:

- a) Unethical behaviour
- b) Actual or suspected fraud.
- c) Activities violating policies including Code of conduct of the Company.
- d) Manipulation of Company data/ records.
- e) A substantial and specific danger to public health, environment and safety.
- f) An abuse of authority.
- g) Leaking confidential or proprietary information.
- h) Violation of any law or regulation.
- i) Gross wastage or misappropriation of company funds/assets.

This Policy will be applicable to all the regular employees and directors of the Company.

5. Definitions:

- a) **"Alleged wrongful conduct"** means violation of law, infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority".
- b) **"Audit Committee"** means a Committee comprising of the Independent Directors constituted by the Board of Directors of the Company in accordance with the provisions of Listing Agreement and Companies Act, 2013. The Committee will review the functioning of the vigil mechanism periodically.