

VIGIL MECHANISM POLICY / WHISTLE BLOWER POLICY

➤ PREAMBLE:

Section 177 (9) of the Companies Act, 2013 mandates the following classes of Companies to constitute a vigil mechanism –

- ✓ Every Listed Company;
- ✓ Every other Company which accepts deposits from the public;
- ✓ Every Company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores.

Further, pursuant to the provisions of Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 which, *inter alia*, provides for a mandatory requirement for all listed companies to establish a mechanism called the Vigil Mechanism for directors and employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Company's Policy.

In order to deal in fair and transparent manner for conducting the day to day affairs of the Company, Kisan Mouldings Limited has adopted "The Code of Conduct and Ethics Policy" which lays down the principles and standards that shall govern the Company and its Employees. By adopting this Code, the Company aims at highest standard of honesty, integrity and ethical behavior. However, any potential or actual violation of the Code, which if left unrecognized or not addressed promptly, could be a matter of serious concern for both; the Company and its employees.

Therefore, the role of the Directors and Employees in pointing out violations of the said code cannot be undermined and hence in compliance of the aforesaid requirement, this Vigil (Whistle Blower) Mechanism Policy has been formulated with a view to provide a mechanism for Directors and employees of the Company to raise concerns relating to any potential violations easily and free of any fear of retaliation.

POLICY OBJECTIVES:

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

➤ DEFINITIONS:

- ✓ **"Accused"** means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- ✓ **"Chairman"** means a person who occupies the position of Chairman of Audit Committee.
- ✓ **"Disciplinary Action"** means any action that can be taken after or 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 seriousness of the matter.
- ✓ **"Protected Disclosure"** means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title "SCOPE" with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- ✓ **"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.

- ✓ **"Vigilance Officer/Vigilance Committee or Committee"** is a person or Committee of persons, nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- ✓ **"Whistle Blower"** is someone who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.

➤ **SCOPE:**

The Policy is an extension of the Code of Conduct and Ethics and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of the Company's Code of Conduct.
2. Breach of Business Integrity and Ethics.
3. Breach of terms and conditions of employment and rules thereof.
4. Intentional Financial irregularities, including fraud, or suspected fraud.
5. Deliberate violation of laws/regulations.
6. Gross or Willful Negligence causing substantial danger to health, safety and environment.
7. Manipulation of company data/records.
8. Pilferation of confidential/propriety information.
9. Gross Wastage/misappropriation of Company funds/assets.
10. Abuse of authority.
11. Any other unethical, biased, favored, imprudent behavior of employees.

This policy is be formulated to cover the specific above said events as may be occurred and noticed by the whistle blower employee and should not be used in place of the Company grievance procedures for raising malicious or unfounded allegation against collegues.

➤ **ELIGIBILITY:**

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or its Associate Companies.

➤ **PROCEDURE:**

All Protected Disclosures should be reported in writing by the complainant to the Vigil Officer/ Committee as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English or in the regional language of the place of employment of the Whistleblower.

The Protected Disclosure should be forwarded under a covering letter signed by the Complainant which shall bear the identity of the Whistleblower. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistleblowers. However, the Chairman of the Audit Committee / Vigilance Officer, as the case may be shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.

Protected Disclosures should be factual and not speculative and should contain as much specific information as may be possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

➤ **INVESTIGATION:**

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Vigilance Officer, who shall carry out an investigation either himself/herself or by involving any other Officer of

the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company.

If any member of the Audit Committee has a conflict of interest in any given case, then he/she shall disclose his/her concern/interest and in such cases the remaining members of the Audit Committee shall deal with the matter.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

The investigation shall be completed normally within 60 working days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

No unfair treatment will be meted out to a Whistleblower 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 Whistleblowers. Complete protection will, therefore, be given to Whistleblowers 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 Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Thus, if the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to receive advice about the procedure, etc.

A Whistleblower 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 Whistleblower shall be kept confidential to the extent possible and permitted under law. Whistleblowers are cautioned that their identity may become known for reasons outside the control of the Vigilance Officer / Chairman of the Audit Committee (e.g. during investigations carried out by Investigators).

Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

➤ **INVESTIGATORS:**

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offence. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

➤ **DECISION:**

If an investigation leads the Vigilance Officer/Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, then the same shall be recommended to the management of the Company to take such disciplinary or corrective action as it may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings

of an investigation pursuant to this Policy shall adhere to the applicable laws as may be prescribed from time to time.

In case the protected disclosure is not proved, extinguish the matter.

➤ **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE:**

The Whistle Blower shall have right to access to 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.

➤ **REPORTING:**

The Vigilance Officer shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

➤ **COMMUNICATION:**

Directors and Employees shall be informed of the Policy by publishing on the notice board and the website of the Company.

➤ **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 minimum period of seven years.

➤ **AMENDMENTS:**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and directors unless the same is notified to the Employees and directors in writing.

<p>Details of the Vigilance Officer:- Mr. Vijay Joshi Company Secretary & Compliance Officer Contact No. 022 42009100 Email – cs.kisan@kisangroup.com</p>	<p>Details of Chairperson of Audit Committee:- Mrs. Urvashi Anand Dharadhar Independent Director Contact No.: 022 42009100 Email – ua.dharadhar@gmail.com</p>
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