

WHISTLE BLOWER POLICY

Introduction:

1.1 Pursuant to Section 177 of the Companies Act, 2013 read with rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, following classes of Companies are required to establish a vigil mechanism for directors and employees to report genuine concerns or grievances:

- Every listed Company
- The Companies which accept deposits from the public;
- The Companies which have borrowed money from banks and public financial institutions in excess of Rupees fifty (50) crores.

Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, inter alia, provides the following:

- a. The Companies requiring constitution of audit committee shall oversee the vigil mechanism through audit committee.
- b. The Vigil mechanism shall provide for adequate safeguards against victimisation of employees and directors who avail of vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in exceptional cases.

1.2 Regulation 4 (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 requires the listed entity to devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

1.3 Regulation 9A of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**“the Regulations”**) mandates every listed company to do the following:

- a. To formulate written policies and procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, which shall be approved by board of directors of the company and accordingly initiate appropriate inquiries on becoming aware of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information and inform the Board promptly of such leaks, inquiries and results of such inquiries.
- b. To have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

To comply with the legislation stated above, this Whistle Blower Policy (“this policy”) has been formulated with a view to provide a mechanism (“Vigil Mechanism”) for directors/employees/stakeholders to report concerns about improper conduct or unethical behaviour, actual or suspected fraud by any director and/or employee of the Company or any violation of the Code of Conduct adopted by the Company (“the Code”) or information about leak or suspected leak of unpublished price sensitive information.

This Policy is revised on 13.11.2020.

Definitions:

"Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013 and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Company" means Kesar Enterprises Limited.

"Employee" means all the present employees of the Company, persons employed under a contract and includes trainees.

"Generally Available Information" means information that is accessible to the public on a non-discriminatory basis.

"Protected Disclosure" means a concern raised by an employee or group of employees of the Company/stakeholder through a written communication and made in good faith which discloses or demonstrates information about an unethical behaviour or improper conduct, actual or suspected fraud by any director/employee of the Company or any violation of the Code or about leak or suspected leak of unpublished price sensitive information. It should be factual and not speculative in nature.

"Stakeholders" include lenders, customers, vendors, suppliers, contractors, service providers of the Company.

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

"Unpublished Price Sensitive Information (UPS I)" means any information, relating to the company or the Company's material subsidiary or the securities of the Company, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but not restricted to, information relating to the following: –

(i) financial results;

(ii) dividends;

(iii) change in capital structure;

(iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;

(v) change in key managerial personnel.

(vi) Any other information as may be prescribed under SEBI (Prohibition of Insider

Trading) Regulations, 2015 (as amended from time to time)

"Vigilance Officer" mean an officer appointed to receive protected disclosures from Whistle blowers, maintain records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the result thereof. Vigilance Officer shall be the Company Secretary of the Company. However, the Board of Directors of the Company may appoint any other officer of the Company to act as Vigilance Officer.

"Whistle Blower" means any person who makes a Protected Disclosure under this Policy.

Scope:

- a. This policy covers the reporting by a director/employee/stakeholder, of an unethical behaviour or improper conduct, actual or suspected fraud (including financial irregularities, misrepresentation of any financial statements), leak/suspected leak of unpublished price sensitive information by any director/employee of the Company or any violation of the Code. However, if any of the internal policy/code of the Company provides for specific mechanism for reporting any particular breach or violation, the Whistle blower shall resort to such mechanism as provided in the policy/code. However, if the specific policy or code does not provide for appropriate means of reporting, the same can be reported under this policy.
- b. The Whistle blowers are expected only to report his concerns / grievances and not act as investigator or fact finders nor would they determine the appropriate corrective or remedial action in any given case nor will they be allowed to participate in any investigative activities other than as decided by the Vigilance Officer or the Chairman of Audit Committee.
- c. Any complaint falling within the purview of "Policy on Prevention of Sexual Harassment of Women at Workplace" will be out of the scope of the Policy and should be directed for submission to the concerned Internal Complaints Committee of the Company formed for this purpose.

Eligibility:

All Employees/Directors of the Company are eligible to make Protected Disclosures under this Policy in relation to matters concerning to the Company. In appropriate cases, stakeholders are also eligible to make Protected Disclosures under this Policy.

Disqualifications:

- a. While it will be ensured that genuine Whistle blowers 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 Whistle blower knowing it to be false or bogus or with a mala fide intention.

Procedure for Reporting the Protected Disclosures:

- a. Protected Disclosure should be reported in writing to ensure a clear understanding of the issues raised and should either be typed or written in legible handwriting in English.
- b. The Protected Disclosure should be forwarded to Vigilance Officer in a closed and secured envelope. In exceptional cases including but not limited to cases of financial irregularities (including fraud), the Protected Disclosure can be directly forwarded to the Chairman of the Audit Committee. The Audit Committee may define the nature of cases wherein Protected Disclosure should be directly forwarded to the Chairman of Audit Committee.
- c. In order to protect the identity of the Whistle Blower, the Vigilance Officer will not issue any acknowledgment to the Complainant and the Whistle Blower are advised not to enter

into any further correspondence with the Vigilance Officer or the Chairman of Audit Committee, as the case may be. The Vigilance Officer or the Chairman of Audit Committee, as the case may be, will assure that in case of any further clarification is required, he/she will get in touch with the Whistle Blower.

- d. Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance Officer or by the Chairman of the Audit Committee.
- e. The contact details of the Chairman of the Audit Committee and of the Vigilance Officer of the Company are as under:

Mr. A. S Ruia
Chairman – Audit Committee

Mr. Gaurav Sharma
Vigilance Officer

- f. Protected Disclosure against the Vigilance Officer should be directly addressed to the Chairman of Audit Committee of the Company.
- g. Protected Disclosure against the Chairman of Audit Committee will be addressed to the Vigilance Officer, who shall, in turn, communicate the same to the Board of Directors (other than the Chairman of Audit Committee)
- h. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

Investigation:

- a. Protected Disclosure reported under this Policy will be recorded and thoroughly investigated. Investigation shall be launched only if, after a preliminary review by the Vigilance Officer/Chairman of the Audit Committee, he finds prima facie substance in allegations made in the disclosure. If the Vigilance Officer/Chairman of the Audit Committee finds no substance in the allegations, he may dismiss the disclosure for reasons to be recorded in writing. Vigilance Officer in consultation with Chairman of the Audit Committee or Chairman of the Audit Committee, as the case may be, will decide the process of investigation as deemed appropriate where protected disclosures are received by them. During the entire process of Investigation, other members of Audit Committee shall be kept duly informed and updated and any suggestion received from any member of Audit Committee shall be given due consideration.

In case of receipt of protected disclosure against the Chairman of Audit Committee, the Vigilance Officer shall, in consultation with the Board of Directors of the Company, decide the process of investigation, which shall be monitored by the Board of Directors.

- b. The Vigilance Officer or Chairman of the Audit Committee (as the case may be) may consider involving any other officer of the Company or outside agency/Investigators for the purpose of investigation. The Chairman of Audit Committee may also appoint a committee of officers of the Company, for the purpose of investigation.

- c. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process.
- d. If any member of the Audit Committee has a conflict of interest in any given matter, he/she should rescue himself/herself from participation.
- e. The identity of the Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- f. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- g. Subjects shall have a duty to co-operate with the Vigilance Officer /Chairman of the Audit Committee or any of the Investigators, as the case may be, during the process of investigation.
- h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is prima facie evidence in support of the allegation.
- j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- k. The investigation shall be completed normally within 30 days of the receipt of the Protected Disclosure and is extendable by such period as the Vigilance Officer in consultation with Chairman of the Audit Committee /Chairman of the Audit Committee deems fit.

Protection:

- a. 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 Whistle blowers 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.
- b. 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 blowers. However, Whistle blowers and such employees are cautioned that their identity may become known for reasons outside the control of the Vigilance Officer /Chairman of the Audit Committee or any of the Investigators.

Confidentiality:

The Whistle-blower, Vigilance Officer, Chairman of the Audit Committee, Members of Audit Committee, subjects, any of the Investigators and everybody involved in the investigation process shall maintain confidentiality of all matters under this policy and discuss only to the extent or with those person (s) as needed under this policy for purpose of completing the process of investigation.

Decision:

- a. If an investigation leads the Vigilance Officer, Chairman of the Audit Committee, as the case may be, to conclude that improper/unethical act/fraud has been committed or there has been leak of unpublished price sensitive information in violation of the Regulations (as the case may be), the Vigilance Officer in consultation with the Chairman of Audit Committee or the Chairman of Audit Committee, as the case may be, shall inform the Board of Directors promptly of the same including details of inquiry/Investigation conducted and results of such inquiry/investigation and seek necessary directions from the Board of Directors. The Board of Directors shall direct the management to take appropriate action including reporting leak of UPSI in violation of the Regulations to SEBI/Stock Exchange (wherever applicable). It is clarified that any disciplinary or corrective action initiated against the Subject as a result of findings of investigation under this policy shall adhere to applicable staff or personnel disciplinary procedures.
- b. The decision of the Vigilance Officer, Chairman of the Audit Committee shall be considered as final and no challenge against the decision would be entertained, unless additional information becomes available.

Reporting:

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

The Audit Committee shall have the right at its sole discretion to seek any further details in relation to any or more investigations.

- b. Protected Disclosures received directly by the Chairman of Audit Committee shall also be placed by the Chairman before the Audit Committee at regular intervals, along with the result of investigations, if any.

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 eight years or such other period as specified by any law for time being in force, whichever is more.

Review the functioning of the Whistle Blower Mechanism:

The audit committee of the Company shall review the functioning of the whistle blower mechanism as and when the Committee deems fit or as and when the Board directs the Committee to review it.

Suo-motu Investigation by Vigilance Officer and Chairman of Audit Committee:

Notwithstanding the above stated provisions, the Vigilance Officer or the Chairman of Audit Committee shall also have right to suo-motu make investigation (for reasons to be recorded in writing) and inform the Board of Directors in the manner provided above.

Disclosure:

If any of the matters pertaining to any protected disclosure made under this policy warrants disclosure to be made to any regulatory authority including Stock Exchange, in terms of provisions of any statutory regulations, rules, directions or circulars etc., the Company shall duly comply with such requirement.

Communication:

Directors and employees shall be informed of the Policy by publishing the same on the website of the Company.

Amendment:

The Board of Directors of 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 or through electronic mode.