



KSS LIMITED

VIGIL MECHANISM/ WHISTLE BLOWER POLICY



PREFACE

- a. Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 requires the Company to establish a Vigil Mechanism for the employees to report genuine concerns in such manner as may be prescribed.
- b. Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), inter alia, provides for requirement to establish a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.
- c. The Company has already adopted a Code of Conduct ("the Code") for its Board Members, Key Management Personnel and Senior Management Personnel of KSS Limited ("the Company") with the purpose to further enhance the existing ethical and transparent process in the management of the Company.
- d. Accordingly, this Vigil Mechanism or Whistle Blower Policy (hereinafter referred to as the "Policy") in compliance of the provisions of the Companies Act, 2013 and the SEBI Listing Regulations has been formulated with a view to provide a mechanism for employees of the Company to approach the Chairman of the Audit Committee of the Company.

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

- a) "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with the Companies Act, 2013 and read with Regulation 18 of SEBI the Listing Regulations.
- b) "Employee" means every present employee of the Company (whether working in India or abroad), including the Directors of the Company.
- c) "Investigators" mean those persons authorised, appointed, consulted or approached by the Chairman of the Audit Committee and include the auditors of the Company and the police.
- d) "Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- e) "Subject" means a person against or in relation to whom a Disclosure has been made or evidence gathered during the course of an investigation.
- f) "Whistle Blower" means an Employee making a Disclosure under this Policy.



APPLICABILITY

All the Employees of KSS Limited, in all the departments and at all levels, are eligible to make Disclosures under the Policy. The Disclosures may be in relation to matters concerning the Company or any subsidiary of the Company.

OBJECTIVE

- a) To encourage the Employees to report to the management about suspected unethical or immoral behaviors, malpractices, wrongful conduct, fraud violation of the Company's policy including Code of Conduct, violation of law or questionable accounting or auditing matters by any employee of the Company without any fear of retaliation
- b) To build and strengthen a culture of transparency and trust in the Company
- c) To disclose alleged wrongful conduct to the Chairman of the Audit Committee.
- d) The mechanism provides for adequate safeguards against victimization of Employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee.

SCOPE

- a) This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, violation of any law/regulations/Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, financial irregularities, including fraud, or suspected fraud, criminal offence, pilferation of confidential/propriety information, breach of Code of Conduct or rules, any other unethical, biased, favored, imprudent event and other matters or activity on account of which the interest of the Company is affected and formally reported by Whistle Blowers.
- b) The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the Audit Committee.

PROCEDURE

- a) The Disclosures should be reported in writing 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 Hindi. The Disclosure shall be submitted along with necessary evidence substantiating the Complain.



- b) All Disclosures should be addressed to the Chairman of the Audit Committee of the Company on a confidential basis or may be submitted anonymously.
- c) The Disclosure should be submitted in a closed and secured envelope super-scribed as “Disclosure under the Vigil Mechanism/ Whistle Blower Policy”. Alternatively, the same can also be sent through email with the subject “Disclosure under the Whistle Blower Policy”.
- d) In order to protect identity of the Whistle Blower, the Chairman of the Audit Committee need not issue any acknowledgement to the Whistle Blower and they are advised neither to write their name/address on the envelope nor enter into any further correspondence. The Chairman of the Audit Committee, in case any further clarification is required, shall get in touch with the Whistle Blower.
- e) Disclosures may be addressed to the Chairman of the Audit Committee directly and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.
- f) If a Disclosure is received by any executive of the Company other than Chairman of Audit Committee, the same should be forwarded to the Chairman of the Audit Committee for further appropriate action.

The contact details of the Chairman of the Audit Committee are as under:

Mr. Rakesh Roopram Sharma

Add: 84, Goyal Park, Judges Bunglow Road, Nr. Premchandnagar, Vasitrapur, Ahemadabad, Ahemadabad-380015, Gujarat

Email: rssharma42@yahoo.co.in

INVESTIGATION

- a) All Disclosures reported under this Policy will be promptly and thoroughly investigated by the Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee.
- b) The Chairman of the Audit Committee may at his discretion, consider involving any Investigators for the purpose of investigation.
- c) The Audit Committee, if deems fit, may call for further information or particulars from the Whistle Blower.
- d) The decision to conduct an investigation taken by the Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- e) All Disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of 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 Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- h) 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.
- i) Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- j) The investigation shall be completed normally within 60 days of the receipt of the Disclosure and is extendable by such period as the Audit Committee deems fit.

CONFIDENTIALITY

- a) The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- b) The Whistle Blower, Chairperson of the Audit Committee, the Subject and everybody involved in the process shall maintain confidentiality, in all respect, of all information and matters connected with the investigation, under this Policy.

PROTECTION

- a) No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a 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 Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Disclosure.
- b) 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 appropriate disciplinary action against anyone responsible.
- c) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.



DECISION AND REPORTING

- a) 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 of the Company to take such disciplinary or corrective action as he may deem fit.
- b) The management, on the basis of the recommendation of the Chairman of the Audit Committee, shall take appropriate action immediately. 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 personnel or staff conduct and disciplinary procedures.

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.
- c) Whistle Blowers, who make any Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this Policy. Further, such Whistle Blowers shall be subject to appropriate disciplinary action as may be decided by the management of the Company in consultation with the Chairman of the Audit Committee.

RETENTION OF DOCUMENTS

All documents related to reporting, investigation and enforcement pursuant to this Policy, shall be retained by the Company for a period of 3 (three) years or such other period as specified by any other law in force, whichever is more.

ADMINISTRATION

The Chairman of the Company & Chairman of the Audit Committee shall be responsible for the administration, interpretation, application and review of this Policy.

AMENDMENT

The Audit Committee or the Board of Directors of KSS Ltd. can amend or modify this Policy, in whole or in part, unilaterally, at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with Central, State or Local regulations and / or accommodate organizational changes within the Company.