

Whistle Blower Policy

1.Introduction

This policy is directed to establish the position of The K.C.P.Limited and its subsidiary and joint venture ('hereinafter referred to as the 'Company') on the framework for reporting instances of unethical/improper conduct and actioning suitable steps to investigate and correct the same.

Accordingly, this policy details the following:

- Procedure to disclose any suspected unethical and/or improper practice(s) taking place in the Company;
- Protection available to the person making such disclosure in good faith;
- Mechanism for actioning and reporting on such disclosures to the relevant authority within the Company; and
- Relevant authority and its powers to review disclosures and direct corrective action relating to such disclosures.

2.Objective

The Company seeks to maintain the highest ethical and business standards in the course of conduct of its business. In doing so, the Company has adopted its Code of Conduct, which is applicable to Directors (including Independent Directors) and employees of the Company, to regulate and build a strong culture of corporate governance, by promoting transparency and ethical conduct in its business operations.

The Whistleblower policy is an extension of the Company's Code of Conduct through which the Company seeks to provide a mechanism for its Directors, Employees to disclose any unethical and/or improper practice(s) taking place in the Company for appropriate action and reporting. Through this policy, the Company provides the necessary safeguards to all Whistle Blowers for making disclosures in good faith.

3.Definitions

The definitions of some of the key terms used in this policy are given below:

- a. **“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 clause 49 of the listing agreement.
- b. **“Employee”** means any employee or officer/executive of the Company.
- c. **“Director”** means any Director on the Board of the Company including independent directors.
- d. **“Investigators”** mean any person(s) duly appointed/consulted by the Chairman of the Audit Committee to conduct an investigation under this policy.
- e. **“Whistle Blower”** means any Employee, Director of the Company, making a Disclosure under this policy.
- f. **“Disclosure”** means any communication in relation to an unethical practice (including anonymous disclosures, if any) made in good faith by the Whistle Blower to the designated personnel under this policy.
- g. **“Unethical practice”** means and includes, but not limited to, the following suspected activities/ improper practices being followed in the Company:
 - i. Manipulation of Company data / records;
 - ii. Abuse of authority at any defined level in the Company;
 - iii. Disclosure of confidential / proprietary information to unauthorized personnel;

Whistle Blower Policy

- iv. Any violation of applicable law and regulations to the Company, thereby exposing the Company to penalties/ fines;
 - v. Any instances of misappropriation of Company assets;
 - vi. Activity violating any laid down Company policy, including the Code of Conduct;
 - vii. Any other activities whether unethical or improper in nature and injurious to the interests of the Company.
- h. **“Subject”** means a person against or in relation to whom a Disclosure is made under this policy.
- i. **“Company”** means The K.C.P.Limited and its subsidiary and joint venture

4.Applicability

This policy is applicable to the following:

- a. All Directors of the Company;
- b. All Employees of the Company;

5. Procedure for Reporting and Actioning Disclosure/s:

(A). Reporting a Disclosure

- a. Any Employee, Director, of the Company may make a Disclosure in writing, duly addressed to the Executive Director, which can be referred to the Chairman of the Audit Committee for investigation. Her contact details are:

Kavitha Dutt, Chitturi, Executive Director, The K.C.P.Limited, Ramakrishna Buildings, 2, P.V.Cherian Crescent, Egmore, Chennai-8

Alternatively, they can submit the Disclosure to the e-mail id whistleblower@kcp.co.in

Where a disclosure is being made in relation to a senior management employee or Director of the Company, such a disclosure may be made to the Chairman and Managing Director (CMD)/Joint Managing Director (JMD) of the Company. In such case, the CMD/JMD shall forward the complaint with suitable notings to the Executive Director for suitable action and reporting under the terms provided under this policy:

It is strongly advised that the Whistle Blower disclose his/ her identity in the covering letter for ensuring timely resolution of the issue and also for ensuring that adequate protection is granted to him/ her under the relevant provisions of this policy.

Whistle Blower Policy

- b. The Whistle Blower must address the following issues, while reporting any Disclosures under this policy:
 - 1. The Disclosures made should bring out a clear understanding of the issue being raised.
 - 2. The Disclosures made should not be merely speculative in nature but should be based on actual facts.
 - 3. The Disclosure made should not be in the nature of a conclusion and should contain as much specific information as possible to allow for proper conduct of the inquiry/ investigation.

B. Investigation

- a. The Chairman of the Audit Committee (hereinafter also referred to as the Audit Committee Chairman) is duly authorized by the Board of Directors to investigate / oversee any Disclosures reported under this policy.
- b. All Disclosures made by the Whistle Blower under this policy shall be recorded and duly actioned in accordance with the recommendation made by the Audit Committee Chairman.
- c. The Audit Committee Chairman may at his own discretion, consider involving any Investigators for the purpose of conducting the investigation. However, the investigations shall be launched only after the review of Disclosure by the Audit Committee Chairman, which establishes that:

1) The Disclosure made constitutes an unethical/ improper practice, as defined under this policy;

2). The Disclosure made is supported by adequate information to support an investigation.

However, the Audit Committee Chairman shall detach the covering letter, before forwarding the relevant Disclosure to the Investigators, to ensure that the confidentiality of the Whistle Blower is maintained during the inquiry/ investigation process.

- d. Any inquiry/ investigation conducted against any Subject shall not be construed by itself as an act of accusation and shall be carried out as a neutral fact finding process, without presumption of any guilt.
- e. The inquiry/ investigation shall be conducted in a fair manner and provide and equate opportunity for hearing to the affected party and a written report of the findings should be prepared for submission to the Audit Committee Chairman and the Audit Committee.
- f. The Audit Committee Chairman and the Investigators (after obtaining adequate authorization from the Audit Committee Chairman) shall have right to call for and examine any information / document of the Company, as may be deemed necessary for the purpose of conducting inquiry/ investigation under this policy.

C. Subjects

- a. All Subjects shall be duly informed about the disclosures of unethical practice(s) made against them at the commencement of the formal inquiry/ investigation process and shall have regular opportunities for providing explanations during the course of the inquiry/ investigation process.
- b. No Subjects shall directly/ indirectly interfere with the investigation process, till the completion of the inquiry/ investigation.
- c. The Subjects shall not destroy or tamper with any evidence, and shall have a duty to cooperate with the Audit Committee Chairman in the inquiry/ investigation process or with

Whistle Blower Policy

any of the Investigators appointed, till the time the inquiry/ investigation process is completed.

- d. During the course of the inquiry/investigation process, all Subjects shall have a right to consult any person(s) of their choice, other than the Investigators and/or Audit Committee Chairman, and engage any legal counsel at their own cost to represent them in any inquiry/ investigation proceedings.
- e. All Subjects shall have a right to be informed about the results of the investigation process and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process.
- f. All Subjects shall be given an opportunity to respond to results of the inquiry/ investigation as contained in an investigation report. No allegation of wrongdoing against any Subject shall be considered as tenable, unless the allegations are duly supported by valid evidence in support of the allegation.
- g. Where the results of the inquiry/ investigation highlight that the allegations made against the Subject are eventually dismissed as non-tenable, then the Company shall reimburse all such reasonable costs as shall have been incurred by the Subject to defend him/her, during the process of inquiry/ investigation. In such cases, the Subject should also be consulted whether a public Disclosure of the investigation result would be in their best interest and the necessary Disclosures made. The Audit Committee Chairman shall have the final discretion on whether such disclosure is necessary and if yes, then on the scope and medium of such disclosure.

6. Protection to Whistle Blower

- a. The identity of the Whistle Blower, Subject and any other Employee assisting the inquiry/ investigation, shall be kept confidential at all times, except during the course of any legal proceedings, where a Disclosure/ statement is required to be filed.
- b. The Company, as a policy, strongly condemns any kind of discrimination, harassment or any other unfair employment practice being adopted against the Whistle Blowers for Disclosures made under this policy. No unfair treatment shall be vetted out towards the Whistle Blower by virtue of his/her having reported a Disclosure under this policy and the Company shall ensure that full protection has been granted to him/her against:
 - i. Unfair employment practices like retaliation, threat or intimidation of termination/suspension of services, etc;
 - ii. Disciplinary action including transfer, demotion, refusal of promotion, etc;
 - iii. Direct or indirect abuse of authority to obstruct the Whistle Blowers right to continue performance of his duties/functions during routine daily operations, including making further Disclosures under this policy.
- c. The Whistle Blower may also report any violation of the above clause to the Audit Committee Chairman, who may direct an investigation into the same and recommend suitable action to the management.

7. Management Action on False Disclosures

If a Whistle Blower knowingly makes false disclosures under this policy, such Whistle Blower shall be subject to disciplinary action on the terms deemed fit by the Audit Committee.

8. Reporting

All instances of Disclosures noted as part of this policy, including results/status of all the inquiries/ investigations made against such Disclosures shall be documented and a final report prepared for the Office of the Chairman of the Audit Committee on a quarterly basis. The

Whistle Blower Policy

Chairman of the Audit Committee may direct the Head of Internal Audit, Head of Legal, the Company Secretary or any other person of the Company that he may deem fit for the preparation of such report. The report shall be presented before the Audit Committee, highlighting the following:

- i. The nature of reported Disclosures made under this policy for the present quarter and the proposed action thereon;
- ii. The status of prior and current period reported Disclosures and the action taken thereon;
- iii. Results/status of any investigations/enquiries in reference to the Disclosures; and
- iv. Any other matter, as the Audit Committee Chairman may deem fit.

The Chairman of the Audit Committee in turn shall also recommend to the Management of the Company, the necessary actions to be taken, which may include:

- i. Revision of the necessary Company policies and procedures;
- ii. Action to be taken against the concerned personnel;
- iii. Any other action which the Audit Committee Chairman deems fit.

9. Amendments

This policy may be amended or modified by the Company after due consultation with the Board of Directors.

10.Retention of Documents

All Disclosures made by the Whistle Blower or documents obtained during the course of inquiry/ investigation, along with the results of investigation relating thereto, shall be retained by the Company for a minimum period of 7 years.