



SHREE KRISHNA PAPER MILLS & INDUSTRIES LTD.

Regd. Office: 4830/24, Prahlad Street, Ansari Road, Darya Ganj, New Delhi-110002
CIN: L21012DL1972PLC279773, **Tel:** 011-46263229
Website: www.skpmil.com

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 }

1. PREFACE

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the Code of Ethics & Business Conduct, 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 role of employees in pointing out such violations of the Code cannot be undermined.

Section 177 read with Rule 7 of The Companies (Meetings of Board and its Powers), 2014 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 , inter-alia, provides, a mandatory requirement, for all listed companies to establish a mechanism called “Vigil Mechanism (Whistle Blower Policy)” for directors/ employees/stakeholders to freely communicate to the Management, instances of unethical behavior or practices, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy.

Accordingly, this Whistle Blower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees of the Company to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, any instances of leak or suspected leak of unpublished price sensitive information pertaining to company, etc.

2. OBJECTIVE

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects directors and employees wishing to raise a concern about serious irregularities within the Company.

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

3. POLICY

The Whistle Blower Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company.

The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

4. 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 read with Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

“Board” means the Board of Directors of the Company.

“Code” means Code of Conduct for Directors and Senior Management of the Company.

“Director” means a Director on the board of the Company whether whole-time or otherwise.

“Disciplinary Action” means any action that can be taken on the completion of / 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 gravity of the matter.

“Employee” means every employee of the Company, including the Directors in the employment of the Company.

“Ombudsperson” will be the chairman of the Audit Committee for the purpose of receiving all complaints under this Policy and ensuring appropriate action.

“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 OF THE POLICY” 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 and Ethics Officer” means an officer 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” A director, employees, dealer or vendor reporting an incident is hereinafter referred to as “Whistle Blower”

5. SCOPE

Various stakeholders of the Company are eligible to make Protected Disclosures under the Policy. These stakeholders may fall into any of the following broad categories:

- a. Employees of the Company
- b. Employees of other agencies deployed for the Company’s activities, whether working from any of the Company’s offices or any other location.
- c. Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company
- d. Customers of the Company
- e. Any other person having an association with the Company

A person belonging to any of the abovementioned categories can avail of the channel provided by this Policy for raising an issue covered under this Policy.

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- i. Abuse of authority
- ii. Breach of contract
- iii. Negligence causing substantial and specific danger to public health and safety

- iv. Manipulation of company data/records
- v. Financial irregularities, including fraud, or suspected fraud or deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
- vi. Any unlawful act whether Criminal/ Civil
- vii. Proliferation of confidential/propriety information
- viii. Deliberate violation of law/regulation
- ix. Wastage/misappropriation of company funds/assets
- x. Breach of Company Policy (ies) or failure to implement or comply with any approved Policy (ies) of the Company
- xi. Instances of leak/suspected leak of Unpublished Price Sensitive Information (UPSI).
- xii. Any other unethical, biased, favoured, imprudent event

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

6. THE GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- a. Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- b. Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- c. Ensure complete confidentiality.
- d. Not attempt to conceal evidence of the Protected Disclosure;
- e. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/ to be made;
- f. Provide an opportunity of being heard to the persons involved especially to the Subject;

7. DISQUALIFICATIONS

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.

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.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

8. MANNER IN WHICH CONCERN CAN BE RAISED

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Ethics. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, or violations of the anti-retaliation aspects of this Policy

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct and Ethics has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws.

- I. Employees can make Protected Disclosure to Ombudsperson, as soon as possible after becoming aware of the same.
- II. Whistle Blower must put his/her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
- III. If initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- IV. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
- V. Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee unless required for the purpose of investigation.

The Ombudsperson/Whistle Officer/Committee shall:

- i) Make a detailed written record of the Protected Disclosure. The record will include:
 - a) Facts of the matter
 - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c) Whether any Protected Disclosure was raised previously against the same Subject;
 - d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
 - e) Findings of Ombudsperson/Whistle Officer/Committee;

f) The recommendations of the Ombudsperson / Whistle Officer / Committee on disciplinary/other action/(s).

ii) The Whistle Officer/Committee shall finalise and submit the report to the Ombudsperson.

On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:

i) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer /Committee and take such Disciplinary Action as he may think fit and take preventive measures to avoid re-occurrence of the matter;

ii) In case the Protected Disclosure is not proved, extinguish the matter;

Or

ii) Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Committee of Directors with proposed disciplinary action/counter measures. The Committee of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.

In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, she/he can make a direct appeal to the Chairman of the Audit Committee.

9. PROTECTION

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 victimisation of complainants 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.

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 Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

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 suitable action to the management.

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 Blower.

10. SECRECY / CONFIDENTIALITY

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not discuss the matter in any informal/social gatherings/ meetings
- c. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d. not keep the papers unattended anywhere at any time
- e. keep the electronic mails/files under password

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

11. REPORTING

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board

12. ADMINISTRATION AND REVIEW OF THE POLICY

The Board of Directors shall be responsible for the administration, interpretation, application and review of this policy. The Board also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

13. AMENDMENT

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 Directors and employees unless the same is not communicated in the manner described as above.