

KALPA COMMERCIAL LIMITED

Whistle Blower Policy

1. INTRODUCTION

The provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 ('Listing Regulations, 2015'), inter-alia, provides, a requirement, for all listed companies 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 or ethics policy and such vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Management in appropriate or exceptional cases.

The Company has adopted a "Code of Conduct for Board Members and Senior Management Personnel" ("the Code") pursuant to Regulation 17 (5) (a) of Listing Regulations, 2015, which lays down the principles and standards that should govern the actions of the Board members and Senior Management Personnel. The Company also has a separate Code of Conduct for all its employees. Any actual or potential violation of these Codes, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Accordingly, in order to provide ease and sense of security to directors and employees of the Company while reporting such violations and to express their concerns, a need for friendly, secured and approachable system called "Vigil Mechanism (Whistle Blower Policy) is felt by the Company.

Accordingly, this KCL Whistle Blower Policy has been formulated and is approved by the Board of Directors in their meeting held on 27.08.2021

2. POLICY OBJECTIVE

The Kalpa Commercial Limited (herein after referred to as "the Company"), always emphasized on maintaining high integrity and ethical standards. Accordingly, the employees of the Company are expected to carry out their professional conducts with the same level of integrity and ethical standards. The Company believes in maintaining transparency and fairness to promote ethics and best corporate governance practices.

KCL is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.

Thereafter the Company has established a mechanism called “Vigil Mechanism (Whistle Blower Policy)” for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy.

The Policy has been drawn up so that Employees and other parties to report unethical behaviors, malpractices, wrongful conduct, fraud, violation of the company’s policies & Values, violation of law by any employee of KCL without any fear of retaliation. The areas of concern are covered by this Policy.

3. DEFINITION

The following expressions hereinafter wherever used shall have the meanings ascribed against each.

- (a) **“Alleged Wrongful Conduct”** shall mean violation of law, misuse or abuse of authority, fraud or suspected fraud, any deliberate concealment of such abuse of fraud, infringement of Company’s rules, misappropriation of funds, substantial and specific danger to public health and safety or violation of the Company’s Code.
- (b) **“Audit Committee”** means the Audit Committee of the Company constituted by the Board of Directors under Section 177 of the Companies Act 2013 read with Regulation 22 of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.
- (c) **“Code”** means the Company’s Code of Conduct and Ethics.
- (d) **“Conduct Rules”** means and includes the Company’s Conduct, Disciplinary and Appeal Rules as may be in force from time to time, read with terms and conditions of employment under the Company.
- (e) **“Company”** means Kalpa Commercial Limited.
- (f) **“Disciplinary Action”** means any action that can be taken on the completion of / during the investigation proceedings including but not limited to issue of a warning, imposition of fine, suspension or any other penalty as provided under the Conduct Rules.
- (g) **“Employee”** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.

- (h) **“Protected Disclosure”** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.
- (i) **“Whistle blower”** is someone who makes a Protected Disclosure under this Policy.
- (j) **“Whistle Officer”** means an officer who is nominated/ appointed to conduct detailed investigation of the disclosure received from the whistle blower and recommends disciplinary action. Currently, the Company Secretary is nominated as Whistle Officer.
- (k) **“Whistle Committee”** or **“Committee”** means a Committee of persons who are nominated/ appointed to conduct detailed investigation of the disclosure received from the whistle blower and recommend disciplinary action. The Committee, if appointed, should include Senior Level Officers of Personnel & Admin, Internal Audit and a representative of the Company / Division/ Department where the alleged malpractice has occurred.
- (l) **“Good Faith”**: An employee shall be deemed to be communicating in ‘good faith’ if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

4. COVERAGE OF THE POLICY

This policy applies to all employees and Directors of the Company.

This policy is equally applicable to Third parties to report a concern related to a potential violation of the Company Code of Conduct.

5. WHO IS A WHISTLE BLOWER?

Any Employee or Director who discloses or demonstrates an evidence of an unethical activity or any conduct that may constitutes breach of the Company’s Code of Conduct or Group Values. This whistleblower has come to the decision to make a disclosure or express a genuine concern / grievance/ allegations, after a lot of thought.

6. APPLICABILITY

This policy applies to all the employees of KCL (including outsourced, temporary and on contract personnel), ex-employees, stakeholders of the Company, including Vendors (hereinafter referred to as 'Whistle Blower'). This policy encourages all the Whistle Blowers to report any kind of misuse of company's properties, mismanagement or wrongful conduct prevailing/executed in the company, which the whistleblower in good faith, believes, evidences any of the following:

1. Violation of any law or regulations, policies including but not limited to corruption, bribery, Theft, fraud, coercion and willful omission.
2. Rebating of Commission/benefit or conflict of interest.
3. Procurement frauds.
4. Mismanagement, Gross wastage or misappropriation of company funds/ assets.
5. Manipulation of Company data/records.
6. Misappropriating cash/ company assets; leaking confidential or proprietary information.
7. Unofficial use of Company's property/human assets.
8. Activities violating Company policies. (Including Code of Conduct)
9. A substantial and specific danger to public health and safety.
10. An abuse of authority or fraud.
11. An act of discrimination or sexual harassment *.

The above list is illustrative and should not be considered as exhaustive.

7. SCOPE OF THE POLICY

This policy applies to all the Stakeholders of the Company excluding the shareholders of the Company who have a mechanism to report their concerns to the Company through Investor Grievance mechanism as laid down under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy applies to Alleged Wrongful Act that affects the stakeholders including, but not limited to:

- a. Any unlawful act whether civil or criminal;
- b. Non-compliance with the Company's internal or external by-laws and regulations;
- c. Corruption, including bribery and money laundering;
- d. Fraudulent practices, such as theft, tampering with the books and records of the Company, damaging the property/ asset of the Company;
- e. Breach of business practices and the Code;

- f. Dissemination of confidential information Communication and/or misuse of unpublished price sensitive information of the Company.
- g. Using of Company's information and records for personal benefits.
- h. Misuse or abuse of authority.
- i. Any other unethical practices and events which have taken place/ suspected to have taken place, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected.

This Vigil Mechanism 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 against people in authority and / or colleagues in general.

8. PROTECTION

The process is designed to offer protection to the whistleblower (employees and directors) provided that the disclosure made / concern raised / allegations made ("complaint") by a whistleblower is in good faith and the alleged action or non-action constitutes a genuine and serious breach of what is laid down in the Group Values and/or Company's Code of Conduct.

The Company affirms that it will not allow any whistleblower to be victimized for making any complaint. Any kind of victimization of the whistleblower brought to the notice of the Value Standards Committee will be treated as an act warranting disciplinary action.

As a Company, we condemn any kind of discrimination, harassment, victimization or any other unfair employment practice adopted against the whistleblowers. Complete protection will be given to the whistleblowers against any unfair practices like retaliation, threat or intimidation or 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 in a free and fair manner.

9. REPORTING IN GOOD FAITH

Every Whistle Blower is expected to read and understand this policy.

However, if a complaint, after an investigation proves to be frivolous, malicious or made with ulterior intent/motive, the Value Standards Committee should take appropriate

disciplinary or legal action against the concerned whistleblower.

10. LIST OF EXCLUSIONS

The following types of complaints will ordinarily not be considered and taken up:

1. Complaints that are Illegible, if handwritten
2. Complaints that are Trivial or frivolous in nature
3. Matters which are pending before a court of Law, State, National Human Rights Commission, Tribunal or any other judiciary or sub judiciary body
4. Any matter that is very old from the date on which the act constituting violation, is alleged to have been committed
5. Issue raised, relates to service matters or personal grievance (such as increment, promotion, appraisal etc) also any customer/product related grievance.

11. DEALING WITH ANONYMITY

A whistleblower may choose to keep his/her identity anonymous. In such cases, the complaint should be accompanied with strong evidence and data.

12. CONFIDENTIALITY

The Value Standards Committee will treat all complaints in a confidential and sensitive manner. In specific cases where the criticality and necessity of disclosing the identity of the whistleblower is important , it may be disclosed, on a 'need-to-know-basis', during the investigation process and only with the prior approval of the whistleblower.

13. REPORTING PROCEDURE

- a. All Protected Disclosures should be reported in writing or verbal mode of communication prescribed under this policy, by the Whistle Blower as soon as possible after the Whistle Blower becomes aware of the same.
- b. The Protected Disclosure should be submitted along with the evidence in a closed and secured envelope.
- c. Alternatively, the same can also be sent through email with the subject "Protected disclosure under the Whistle Blower policy" at info@kalpacommercial.in and infokalpa2@gmail.com. If the Protected Disclosure is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the Whistle Blower and the Protected Disclosure will be dealt with as if a normal disclosure.
- d. Verbal disclosures submitted shall be recorded by the Vigilance & Ethics Officer in

the prescribed format by the Whistle Blower Committee and as may be altered from time to time.

- e. The Protected Disclosure raised should include the following:
 - (i) Nature of Alleged Wrongful Conduct
 - (ii) Name of the person, if any, against whom the complaint is lodged;
 - (iii) Branch / Location where the concern observed;
 - (iv) Detailed description of the event;
 - (v) Supporting evidence, if any.
- f. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the Whistle Blower.
- g. Anonymous/ Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer. However, recording of receipt of such anonymous disclosures shall be done in similar manner as a normal disclosure under this policy.
- h. The Protected Disclosure should be forwarded under a covering letter signed by the whistle Blower. The Vigilance and Ethics Officer/ Chairman of the Audit Committee/ Whole Time Director (WTD) of the Company as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- i. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee or to the Whole Time Director (WTD) of the Company in exceptional cases.
- j. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Whole Time Director (WTD) of the Company should be addressed to the Chairman of the Audit Committee.
- k. On receipt of the Protected Disclosure the Vigilance and Ethics Officer / Whole Time Director (WTD) of the Company/ Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the Whistle Blower whether he was the person who made the Protected Disclosure or not. He/ She shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.

The record will include:

- Brief facts;
- Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- Whether the same Protected Disclosure was raised previously on the same subject;
- Whether the Whistle blower has raised any other genuine Protected

- Disclosure in the past, and if so, the outcome thereof;
- Details of actions taken by Vigilance and Ethics Officer / Chairman of the Audit Committee/ Whole Time Director (WTD) for processing the complaint.
 - Findings of the Audit Committee
 - The recommendations of the Audit Committee/ other action(s).
1. The Audit Committee, if deems fit, may call for further information or particulars from the Whistle Blower.

14. INVESTIGATION

- All protected 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.
- In case the Subject is the Chairman/ Whole Time Director (WTD) of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the Protected Disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- Within 7 days of receipt of Protected Disclosure, the Whistle Blower shall be responded and more information or clarification be sought from him. While doing so, Vigilance and Ethics Officer shall ensure that his identity remains unraveled. Vigilance and Ethics Officer may check with the Whistle Blower if he is willing to disclose his identity to make the communication process smooth, direct, more meaningful and less time consuming. Depending on the Whistle Blower willingness to disclose his identity, the Audit Committee members or the officials authorised to conduct investigation shall meet him.
- Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

- Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- Subject(s) have a responsibility not to interfere in the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the Subject(s).
- 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. Required confidentiality shall be maintained such that the reputation of the Subject(s) is not impacted merely based upon the allegation and in the course of investigation.
- Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject(s) should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

15. 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 period of 8 (eight) years or such other period as specified by any other law in force, whichever is more. However if the matter of Investigation relating thereto is sub judice or pending before any Court, tribunal or forum then any such Protected Disclosures or document relating thereto may be preserved for a period longer than specified above.

16. ADMINISTRATION AND REVIEW OF THE POLICY

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

A quarterly status report on the total number of complaints received, if any during the period with summary of the findings of Vigilance & Ethics Officer or the Chairman of Audit the Committee and corrective steps taken should be sent to the Audit Committee of the Company.

17. 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, in accordance with the provisions of the law, as may be applicable from time to time.

In the event of any subsequent modification, amendment, alteration or change in the provisions of law, this policy shall stand amended to such amended, modified, altered provision of law and the entire policy shall not be regarded as unlawful or void.

The amended Policy shall be posted on the website of the Company.

For KALPA COMMERCIAL LIMITED

**MUKUL JINDAL
DIRECTOR
(DIN- 07229720)**

PROTECTED DISCLOSURE

To

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Name of the Complainant

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Address of the Complainant

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Contact no

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Email id

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Subject of the Complaint

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Name of the person involved in the
Fraud

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Unit/Location where incident is

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Observed

Brief Description of the fraud

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List of the supporting evidences

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Signature

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Position/Designation

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