



KALAMANDIR JEWELLERS LIMITED
(CIN: U45100GJ2009PLC143790)

Vigil Mechanism / Whistle Blower Mechanism Policy



1. PREAMBLE

Kalamandir Jewellers Limited (the “Company”) is a public limited company incorporated under the Companies Act, 1956. Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates every listed company and certain companies to constitute a Vigil Mechanism/ Whistle Blower Mechanism for directors and employees to report concerns of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct or ethics policy.

(i) Objectives

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 behaviour. In pursuit of the same, the Company encourages its employees to raise genuine concern about any malpractices in the work place without fear of retaliation and will protect them from victimisation or dismissal.

The vigil mechanism aims to provide a channel to the directors and employees to report genuine concerns about unethical behaviour of any employee of the Company who shall promptly report to the management/audit committee of the Company (“Audit Committee”) when he/she becomes aware of any actual possible violation or an event of misconduct, fraud or act not in Company’s interest. The mechanism provides for adequate safeguards against victimisation of directors and employees to avail the mechanism and also provides for direct access to the chairman of the Audit Committee in appropriate cases.

(ii) Approval of the Board

Accordingly, the board of directors of Company (“Board”) established a Vigil Mechanism/ Whistle Blower Mechanism by formulating and adopting a policy for providing a framework for responsible and secure whistle blowing/vigil mechanism which can be amended from time to time.

Vigil Mechanism /Whistle Blower Mechanism Policy (the “Policy”) shall be as approved and amended by the Board of the Company from time to time.

2. DEFINITIONS

- 1) “**Company**” means Kalamandir Jewellers Limited.
- 2) “**Board**” means the Board of Directors of the Company.
- 3) “**Policy**” means the Vigil Mechanism/Whistle Blower Mechanism Policy as contained hereunder in this document.
- 4) “**Audit Committee**” means Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.
- 5) “**Investigator**” means any employee(s) appointed by the Audit Committee or by Board of Directors or by any Director or Key Managerial Personnel (KMP) or employee of the Company authorized by the Audit Committee to make appointment of any employee as Investigator.
- 6) “**Protected Disclosure**” means any communication made in good faith that discloses or demonstrates information or an intention or evidence that may evidence ongoing spurious or unethical or improper activity or any condition that may pre-empt occurrence of such activity.
- 7) “**Subject**” means a person or group of person against whom or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.



8) **“Whistle Blower(s)”** shall mean a director or an employee of the Company who makes Protected Disclosure under this Policy and may also be referred in this Policy as “Complainant”.

3. SCOPE

This policy encourages 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 including any of the following:

- i. Breach of Company's code of conduct and Business Ethics.
- ii. Breach of terms and conditions of employment and rules thereof
- iii. Violation of any law or regulations, policies including but not limited to corruption, bribery, theft, fraud, coercion and willful omission.
- iv. Criminal Offence having repercussions on the Company or its reputation.
- v. Forgery, falsification or alteration of documents;
- vi. Manipulation of Company's data and records including computer files /data.
- vii. Perforation of confidential/proprietary information
- viii. Deliberate violation of law/regulation
- ix. Gross wastage/ misappropriation of Company's funds and/or assets and/or resources
- x. Any incidence of harassment of any employee of the company based on caste, colour, creed, religion, faith, disability, sexual orientation, national origin, age, marital status, sex, veteran or citizenship or other characteristics protected by law.
- xi. Any other unethical, improper conduct, biased favored or imprudent act.

The Policy should not be deliberately used for raising any patently malicious or unethical or wrong or unfounded allegations against colleagues. The Policy should not be used to settle the score amongst employees or between directors and employees or KMP and employees.

The Policy should be used to raise the genuine Company's grievance procedures.

4. Eligibility

All the directors and employees of the Company are eligible to make Protected Disclosure under the Policy in relation to the matters concerning the Company and in any matters as laid in above paragraph. Further, the Company has established a separate Internal Complaint Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder, if any.

5. DISQUALIFICATION

The following instances would constitute a violation of the Whistle Blower Policy:



1. 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.
2. 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.
3. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.
4. Bringing in the light personal matters regarding another person, which are in no way connected to the organization.

6. GUIDING PRINCIPLES

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

1. Ensure that the Whistle Blower and/or the person processing the Protected Disclosure are not victimized for doing so.
2. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s).
3. Ensure complete confidentiality.
4. Not attempt to conceal evidence of the Protected Disclosure.
5. Take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure made or to be made.
6. Provide an opportunity of being heard to the persons involved especially to the Subject(s).

7. ROLE OF A WHISTLE BLOWER / COMPLAINANT

The Whistle Blower/ Complainant's role is that of reporting party with reliable information. They are not required to act as investigators nor would determine the appropriate or remedial action. They should also not act nor participate in any investigation activities unless warranted otherwise.

8. PROCEDURE

1. All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
2. Director / Key Managerial Personnel (KMP)/ employees to make Protected Disclosures as soon as possible but not later than 30 consecutive days after becoming aware of the same.



3. Whistle Blower must put his/her name to allegations. Concerns expressed anonymously will not be investigated.
4. Name of the Whistle Blower shall not be disclosed to the Whistle Officer/ Committee.
5. Protected 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, Hindi or in the regional language of the place of employment of the Whistle Blower.
6. If initial enquiries by the Investigators 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.
7. In respect of all other Protected Disclosures, those concerning Investigators and employees at the levels of Vice Presidents and above should be addressed to the Chairman of the Audit Committee of the Company and those concerning other employees should be addressed to the Investigator of the Company.
8. Email id where the Whistle Blower can make Protected Disclosure is: cs@kalamandirltd.com
9. If a protected disclosure is received by any executive of the Company other than the Chairman of the Audit Committee or the Investigators, the same should be forwarded to Investigator or the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.
10. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee / Investigator, as the case may be shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
11. 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. As far as possible the same to be produced along with supporting documents, evidence in form of written documents in hard copy or electronic form, emails, SMS, recordings etc. required to be produced along with the Protected Disclosures.
12. In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he/she can make a direct appeal to the Chairman of the Audit Committee.

9. INVESTIGATION

1. All Protected Disclosures under this Policy will be thoroughly investigated by the Investigator/ Chairman of the Audit Committee of the Company who will investigate/ oversee investigations under the authorization of the Audit Committee.
2. The Investigator/ Chairman of the Audit Committee may at his/her discretion; consider involving any Investigators for the purpose of investigation.
3. The decision to conduct an investigation taken by the Investigator/ 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.
4. The identity of a Subject(s) and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
5. Subject(s) will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.



6. Subject(s) have right to consult with a person or persons of their choice, other than the Investigator/ Chairman of the Audit Committee and/or the Whistle Blower. Subject(s) shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject(s) are not sustainable, then the Company may see reason to reimburse such costs.
7. Subject(s) shall have a duty to cooperate with Investigator/ Chairman of the Audit Committee during investigation to the extent that such cooperation will not compromise self-incrimination protection available under the applicable laws.
8. Subject(s) have a responsibility not to interfere with the investigation process. Evidence shall not be withheld, destroyed or tampered with; and witness shall not be influenced, coached, threatened or intimidated by the Subject(s).
9. Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
10. Subject(s) have a right to be informed of the outcome of the investigation. 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(s) and the Company.
11. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

10. DECISION AND REPORTING

If an investigation leads to a conclusion that an improper or unethical act has been committed, the chairperson of the Audit Committee shall recommend to the Board to take such disciplinary or corrective action as it may deem fit. 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. The company may also opt to reward the Whistle Blower, based on merits of the case.

The investigation shall be deemed as closed upon conclusion of the inquiry and disciplinary action, recovery proceedings, initiation of extant legal proceedings, or reporting as required by the policies, after which the investigation shall be reported as closed to the Audit Committee. A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

11. 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 to 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.



12. PROTECTION

(i) No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected 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 Protected Disclosure. The Company will take steps to minimize difficulties, if any which the Whistle Blower may experience as a result of making the 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.

(ii) 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 of the Company.

(iii) 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.

13. ACCESS TO CHAIRPERSON OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access chairperson of the Audit Committee directly in appropriate or exceptional cases and the chairperson of the Audit committee is authorised to prescribe suitable directions in this regard, as may be deemed fit.

14. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto, shall be retained by for a period of 8 (eight) years or such other period as specified by any other law in force, whichever is more.

15. REVIEW AND 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 applicable law and no such amendment or modification will be binding on the directors and employees unless the same is communicated in the manner described as above. Consequent upon any changes in regulatory guidelines, such change shall be deemed to be a part of the Policy until the Policy is reviewed and approved by the Board.
