

KLG CAPITAL SERVICES LIMITED - WHISTLE BLOWER POLICY

1. PREFACE

Pursuant to applicable provisions of Section 177 of the Companies Act, 2013, every listed company shall establish a Whistle Blower policy for its' employees as well as Board of Directors, which shall strengthen them to resolve to report genuine concerns /grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct. Such a vigil mechanism shall provide for adequate safeguards against victimization of Directors and Employees who avail of such mechanism.

The Company has adopted a Code of Conduct for Directors and Senior Management Executives ("the Code"), 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.

KLG Capital Services Limited formulates the policy as under.

2. POLICY OBJECTIVES

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. The Whistle Blower mechanism provides a channel to the Employees and Directors to report to the management their genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc.

3. SCOPE OF THE POLICY

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place / suspected to have taken place, likely to take place misuse or abuse of authority, 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 and formally reported by whistle blowers. This policy, however, neither releases employees from their duty of confidentiality in the course of their work, nor is to be taken as a route for taking up a grievance about a personal situation.

4. DEFINITIONS

4.1 "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.

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

4.3 “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

4.4 “Code” mean Conduct for Directors and Senior Management Personnel adopted by KLG Capital Services Limited

4.5 “Subject” means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

4.6 “Whistle Blower” means an Employee or a Director, making a Protected Disclosure under this Policy.

4.7 “Whistle and Ethics Officer” means a director/an officer of the Company nominated by Competent Authority to conduct detailed investigation under this policy and to receive protected disclosure from Whistle blowers, maintain record thereof, placing the same before the Audit Committee for its disposal and informing the Whistle blower the results thereof.

4.8 “Company” means KLG Capital Services Limited.

5. ELIGIBILITY

All Employees of the Company and various stakeholders (including their representative bodies)of the company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

6.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.

6.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “**Protected disclosure under the Whistle Blower policy**”. Alternatively, the same can also be sent through email with the subject “**Protected disclosure under the Whistle Blower policy**”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Whistle and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name/address on an envelope nor enter into any further correspondence with the Whistle

and Ethics Officer. The Whistle and Ethics Officer shall ensure that in case any further clarification was required, he will get in touch with the complainant directly, in confidence.

6.3 The Company shall not entertain anonymous/ pseudonymous disclosures.

6.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Whistle and Ethics Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

6.5 All Protected Disclosures should be addressed to the Whistle and Ethics Officer of the Company. The contact details of the Whistle and Ethics Officer are as under:-

Name and Address: Mr. Chakradhar Das, Manager

KLG Capital Services Limited
SKIL House, 209, Bank Street Cross Lane,
Fort, Mumbai – 400 023
Email- nishita.nagrecha@skilgroup.co.in

6.6 Protected Disclosure against the Whistle and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman / Manager of the Company should be addressed to the Chairman of the Audit Committee.

Name and Address of Chairman (Audit Committee): Mr. V. Ramanan

KLG Capital Services Limited
SKIL House, 209, Bank Street Cross Lane,
Fort, Mumbai – 400 023
Email- ramananv2001@yahoo.com

Name and Address of Chairman of the Company: Ms. Gayathri Ramachandran

KLG Capital Services Limited
SKIL House, 209, Bank Street Cross Lane,
Fort, Mumbai – 400 023
Email- crgayathri@gmail.com

6.7 On receipt of the protected disclosure the Whistle and Ethics Officer / Chairman/ Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain/confirm from the complainant whether he was the person who made the protected disclosure or not. The record will include:

- Brief facts;
- Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- Details of actions taken by Whistle and Ethics Officer / Chairman for processing the complaint

- The findings and recommendations of the Audit Committee.

7. INVESTIGATION

7.1 All Protected Disclosures reported under this Policy will be thoroughly investigated by the Whistle and Ethics Officer of the Company who will investigate / oversee the investigations under the authorization of the Audit committee.

7.2 The decision to conduct an investigation taken into a Protected Disclosure by itself is not an acceptance of the accusation by the whistle blower and is to be treated as a neutral fact-finding process

7.3 The identity of a Subject, against whom the Whistle Blower has raised an accusation, will be kept confidential to the extent possible given the legitimate needs of the investigation.

7.4 Unless there are compelling reasons not to do so, Subject/s will be given reasonable opportunity for hearing their point of view during the investigation. No allegation of wrongdoing against a Subject/s shall be considered as maintainable unless there is good evidence in support of the allegation.

7.5 Subject/s shall have to co-operate with the Whistle and Ethics Officer / Audit Committee during investigation to the extent that such co-operation sought does not merely require them to deny/admit guilt.

7.6 Subject/s shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.

7.7 Subject/s shall have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject/s.

7.8 Subject/s have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject/s shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject/s and the Company.

7.9 Whistle and Ethics Officer shall normally complete the investigation within 30 days of the receipt of protected disclosure.

8. PROTECTION

8.1 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, reiterates that it condemns all 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, 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.

8.2 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.

8.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

8.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9. SECRECY / CONFIDENTIALITY

9.1 The Complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:

9.1.1 Maintain confidentiality of all matters under this Policy

9.1.2 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.

9.1.3. Not keep the papers unattended anywhere at any time.

9.1.4 Keep the electronic mails / files under password.

10. DECISION

10.1 If an investigation leads the Whistle and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Whistle and Ethics Officer / 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. 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 conduct rules.

10.2 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal /investigating agency. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Whistle and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

11. REPORTING

11.1 The Whistle & Ethics Officer shall submit a report to the Chairman of the Audit Committee, as and when required depending on when complaints, if any, are received, about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

12. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

12.1 The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

13. COMMUNICATION

13.1 This Whistle Blower Policy shall be uploaded on the website of the Company to enable a wide circulation

14. RETENTION OF DOCUMENTS

14.1 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 3 (Three) years or such other period as specified by any other law in force, whichever is more.

15. ADMINISTRATION AND REVIEW OF THE POLICY

15.1 A report about the functioning of the Whistle Blower Mechanism shall be placed before the Audit Committee as and when required depending on when complaints, if any, are received.

The Manager shall be responsible for the administration, interpretation, application and review of this policy.

Details of amendment:

Amended on	November 09, 2016 and made effective immediately.
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