

**KENT R O SYSTEMS LTD**

**VIGIL MECHANISM POLICY/WHISTLE BLOWER POLICY**

## Revision History

Date	Author	Section	Change Description	Reason for Change	Version
8 <sup>th</sup> Jan 2025	PK Trivedi	Complete Policy	New policy drafted	NA	v1.0

PK Trivedi

## INTRODUCTION

The Board of Directors of **KENT RO SYSTEMS LIMITED** ("the Company") has formulated this Vigil Mechanism/Whistleblower Policy ("Policy") pursuant to the provisions of **Section 177 of the Companies Act, 2013** and **Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended**. This Policy is also aligned with the requirements of **Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**.

This Policy establishes a framework for employees and directors to report genuine concerns or grievances regarding unethical behaviour, actual or suspected fraud, or violation of the Company's policies. It also ensures adequate safeguards against victimization of those using the mechanism and provides direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

## PURPOSE AND OBJECTIVE

The Company is committed to maintaining the highest standards of ethical, moral, and legal conduct in its business operations. To uphold these values, the Company encourages employees and directors to report concerns regarding suspected misconduct without fear of retaliation or unfair treatment.

This Policy aims to:

1. Provide a channel for employees and directors to raise concerns about unethical behavior, fraud, or violations of the Company's policies.
2. Ensure protection against victimization for whistleblowers.
3. Establish a transparent mechanism for addressing grievances in a fair and time-bound manner.

This Policy does not absolve employees from their duty of confidentiality nor does it permit malicious or unfounded allegations.

## DEFINITIONS

- **"Company"**: KENT RO SYSTEMS LIMITED.
- **"Board"**: The Board of Directors of the Company.
- **"Audit Committee"**: The Audit Committee constituted under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.
- **"Competent Authority"**: The Audit Committee of the Company or any other person authorized by them to act under this Policy.



Provided that if any of the members of the Audit Committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.

- **"Employee"**: Any person on the rolls of the Company, including functional directors.
- **"Improper Activity"**: Actions by an employee that violate laws, rules, Company policies, or ethical standards. Examples include fraud, corruption, misuse of Company assets, breach of confidentiality, and unethical practices.
- **"Protected Disclosure"**: Any communication made in good faith by a whistleblower, evidencing unethical behaviour, improper activity, or violations of laws or policies.
- **"Whistleblower"**: An employee or director making a Protected Disclosure under this Policy.
- **"Subject"**: The person against or in relation to whom a Protected Disclosure is made.

## ELIGIBILITY

All employees and directors of the Company are eligible to raise concerns and make Protected Disclosures under this Policy.

## GUIDING PRINCIPLES

1. **Confidentiality**: The identity of the whistleblower will be kept confidential to the extent possible.
2. **No Retaliation**: The whistleblower and those involved in processing Protected Disclosures will not face victimization or unfair treatment.
3. **Opportunity to be Heard**: The Subject of the Protected Disclosure will be given a fair chance to present their case.
4. **Timely Action**: All disclosures will be acted upon in a timely manner.
5. **Accountability**: Attempts to conceal or destroy evidence will result in disciplinary action.

## ROLE OF THE WHISTLEBLOWER

1. The whistleblower's role is limited to raising genuine concerns.
2. The whistleblower is not required or expected to investigate the matter.



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3. The whistleblower has the right to be informed about the disposition of their disclosure (subject to overriding legal or other constraints).
4. Any abuse of the whistleblowing mechanism (e.g., malicious or frivolous complaints) will attract disciplinary action.

## REPORTING PROCEDURE

### 1. Making a Disclosure:

- Protected Disclosures must be submitted in a sealed envelope marked "Protected Disclosure," addressed to the Competent Authority.
- The letter must include the whistleblower's name, employee number, and location. Anonymous or pseudonymous disclosures will not be entertained.
- If a conflict of interest exists with the Competent Authority, the whistleblower may directly approach the Chairperson of the Audit Committee.

### 2. Content of Disclosure:

- Disclosures should be factual, not speculative, and must provide as much specific information as possible.
- The report can be written in English or Hindi and must outline details of the alleged unethical activity or concern.

### 3. Acknowledgment:

- The Company will not issue acknowledgments to protect the whistleblower's identity.

## INVESTIGATION PROCESS



### 1. Preliminary Review:

- Upon receipt, the Competent Authority will verify the authenticity of the disclosure and decide if an investigation is warranted.
- If not warranted, reasons will be documented.

### 2. Investigation Procedure:

- Investigations will be assigned to authorized personnel or external investigators.
- Investigators will conduct a neutral, fact-based review and prepare a report

within 45 days (extendable by the Competent Authority, if necessary).

- The Subject will be informed of the allegations and given an opportunity to respond.
- Evidence must not be tampered with or destroyed.

**3. Outcome:**

- If improper activity is established, appropriate disciplinary action will be recommended.
- If the disclosure is found to be malicious, disciplinary action may be taken against the whistleblower.

### **PROTECTION FOR WHISTLEBLOWERS**

1. The whistleblower will be protected against unfair practices such as retaliation, suspension, or termination.
2. In case of criminal or disciplinary proceedings, the whistleblower will be provided advice and support.
3. Any whistleblower experiencing victimization can report it to the Competent Authority or the Chairperson of the Audit Committee.

### **REPORTING LEAKAGE OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

Employees and other stakeholders are encouraged to report any leakage or suspected leakage of unpublished price-sensitive information (UPSI) through the procedure outlined in this Policy in addition to any procedures outlined in the policy for fair disclosure of UPSI.

### **DISCLOSURE AND ACCESSIBILITY**

1. This Policy shall be made available on the Company's website.
2. A web link to the Policy will be included in the Annual Report along with an affirmation that no person has been denied access to the audit committee.



### **AMENDMENTS**

The Company is committed to periodically reviewing and updating this Policy to reflect changes

in regulations and business requirements. Amendments to this Policy must be approved by the Board of Directors through a resolution, and updated details will be promptly published on the Company's website.

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