



**KIRLOSKAR BROTHERS LIMITED**  
A Kirloskar Group Company

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## WHISTLE BLOWER POLICY

### TABLE OF CONTENTS

Sr. No.	Particulars	Page No(s).
1	Preface	2
2	Definitions	3
3	Scope	4
4	Policy	4
5	Disqualifications	5
6	Channels for making Protected Disclosures	5
7	Procedure	6
8	Protection	7
9	Reporting	8
10	Retention of documents	8
11	Communication of policy	8
12	Review and Amendment of policy	8





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## 1. Preface

The Company has adopted the Code of Conduct ("The Code") with the objectives of enhancing the standards of ethical conduct for the highest degree of transparency, integrity, accountability and corporate social responsibility. Any actual or potential violation of the Code would be a matter of serious concern for the company. The employees, directors and other stakeholders can play an important role in pointing out such violations of the Code.

In terms of the provisions under Sections 177 (9) and (10) of the Companies Act, 2013 read with relevant Rules thereunder, the Company shall establish a vigil mechanism for its directors and employees to report genuine concerns which shall also provide adequate safeguard against victimization.

Regulation 4(2)(d)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), inter alia, provides for the listed entity to devise an effective whistleblower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

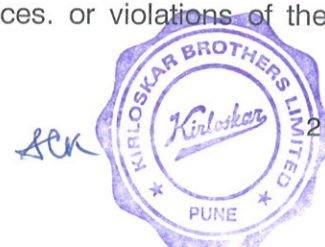
Besides, clause 46 of the Listing Regulations, inter - alia, provides for a requirement for disseminating on a Company's website, details of establishment of a vigil mechanism or a 'Whistle Blower Policy' for its employees, directors, and stakeholders to report to the management genuine concerns or violation of the Company's code of conduct.

As per the requirement of Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which is effective from April 1, 2019, the Company is required to formulate a written policy and procedures for inquiry in case of leak of Unpublished Price Sensitive Information (UPSI) or suspected leak of UPSI and make employees aware of such policy to enable employees to report instances of leak of UPSI.

The Audit Committee of the Board of Directors of the Company shall review the functioning of the whistle blower mechanism.

Accordingly, this Whistle Blower Policy ("the Policy") has been formulated as a Vigil Mechanism' with a view:

- to provide a mechanism for directors, employees as well as other stakeholders of the Company to approach the Chief Ethics Counsellor (CEC) / Chairperson of the Audit Committee of the Company or other channels set out in this policy, to report any instance of any illegal or unethical practices. or violations of the Company's code of conduct.





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- to safeguard the interest of such Employees / persons against victimization, who notice and report any unethical or improper practices.
- to appropriately communicate the existence of such mechanism, within the organization and to outsiders.
- to enable the employees of the Company to report instances of leak or suspected leak of unpublished price sensitive information.

## 2. Definitions

The definitions of some of the terms used in this Policy are given below. Other terms not defined herein shall have the meaning assigned to them under Listing Regulations, and the Companies Act, 2013 and Code.

- a) "Alleged Person" means a person purportedly involved in the unethical practice and against whom or in relation to whom a Protected Disclosure has been made or evidence gathered during an investigation.
- b) "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 Listing Regulations.
- c) "Chief Ethics Counsellor" (CEC) refers to an employee designated by the Company from time to time, with adequate seniority, competence, and independence to ensure compliance with the provisions of this Policy and drive ethical environment in the Company.
- d) "Company" means Kirloskar Brothers Limited.
- e) "Good faith" means having a reasonable belief that the information provided is truthful. It does not mean having 'all the evidence' about the concern reported.
- f) "Employee" means every employee of the Company (whether working in India or abroad), including contractual employees and the directors in the employment of the Company.
- g) "Ethics Committee" means Committee comprised of the members viz. CEC, Head-CHRM&C, and Head-Corporate Legal, and Head-Corporate Finance of the Company. CEC shall be the Chairperson of this Committee.





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- h) "Investigators" means those persons authorized, appointed, consulted, or approached by the CEC / Ethics Committee / Chairperson of the Audit Committee for investigation of any Protected Disclosure made under this policy.
- i) "Intermediaries" as defined under Policy for determination of "Legitimate Purposes" for as a part of fair disclosure and conduct under Insider Trading Regulations.
- j) "Redressal Mechanism / appropriate grievance redressal authority/ forum" shall mean and include the Chairman of the Audit Committee of the Company.
- k) "Protected Disclosure" means any communication made in good faith that demonstrates information that may evidence any instance of unethical or improper behaviour/practice (not necessarily a violation of Law), actual or suspected fraud or violation of the Company's code of conduct-(*"the unethical practice"*).
- l) "Stakeholders" means vendors, customers, contractual service providers, contractors, agency staff or any other outside parties / non-employees directly dealing with the Company.
- m) "Unpublished Price Sensitive Information" as defined under SEBI (Prohibition of insider Trading) Regulations, 2015 as amended.
- n) "**Whistle Blower**" means an Employee, Director and any stakeholder of the Company making a Protected Disclosure under this Policy.

### 3. Scope

This policy is applicable to all the employees, directors, and stakeholders of the Company. All employees, directors, and stakeholders of the Company are eligible to make Protected Disclosures under the Policy.

### 4. Policy

The Company is committed to openness, transparency, and accountability in all its affairs for everybody in the society and to provide a workplace conducive to open discussion of its business practices to enable the employees, directors, and stakeholders of the Company to achieve highest standards of Governance. The Policy reinforces the Company's approach by providing a forum to the employees, directors, and stakeholders of the Company to voice their concerns about suspected unethical or improper practice.

This policy is also intended for the employees to report instances of leak or suspected leak of unpublished price sensitive information.





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## 5. Disqualifications

- a) While it would be ensured that genuine Whistle Blowers are protected from any kind of unfair treatment as herein set out, any abuse of such protection would warrant disciplinary action.
- b) Protection under this policy would not mean protection from disciplinary action against false or bogus allegations made by a Whistle Blower, knowing it to be false or bogus, or any Protected Disclosures made with a mala fide intention.
- c) Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, vexatious, malicious, or reported otherwise than in good faith, will be disqualified from making further Protected Disclosures under this Policy. In respect of such Whistle Blowers, CEC / Ethics Committee, as the case may be, would recommend appropriate disciplinary action to the management.

## 6. Channels for making Protected Disclosures

Following channels are available for making Protected Disclosures:

The Protected Disclosure can be made to the CEC of the Company or the Chairperson of the Audit Committee. Their contact details are as under:

### Chief Ethics Counsellor (CEC)

Address: Yamuna Survey No. 98/3-7, Plot no. 3, KBL, Baner, Pune, Maharashtra 411045

Email: [Ethics.Helpdesk@kbl.co.in](mailto:Ethics.Helpdesk@kbl.co.in)

### Chairperson of the Audit Committee

Address: Yamuna Survey No. 98/3-7, Plot no. 3, KBL, Baner, Pune, Maharashtra 411045

Email: [acchair@kbl.co.in](mailto:acchair@kbl.co.in)



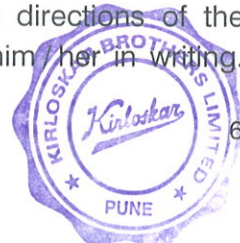


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## 7. Procedure

- a) All Protected Disclosures should be addressed to the CEC or Chairman of the Audit Committee of the Company. Appropriate care would be taken to keep the identity of the Whistle Blower, confidential.
- b) Protected Disclosure should be factual and not speculative. It is recommended to provide detailed information so that the concern can be investigated. Some useful details may include:
  - specific nature of concern.
  - date, time and location.
  - name(s) and designation/department of person(s) involved, and the role played by them.
  - your relationship with the person(s) involved;
  - how the whistleblower became aware of the issue;
  - name and all possible details, including designation and contact details, of potential witnesses; and
  - any other relevant data or document or supporting information.
- c) Anonymous Protected Disclosure would be considered only if it contains sufficient details (given in clause b above) and evidence to conduct an enquiry/investigation.
- d) Upon receipt of Protected Disclosure, the CEC shall conduct preliminary enquiry into the matter. In case protected disclosure received by the Chairman of the Audit Committee then he shall refer it to CEC for conducting preliminary enquiry. Upon completion of preliminary enquiry CEC may either appoint investigator(s) or refer the matter to Ethics Committee or may proceed with further investigation himself. If the Chairman of the Audit Committee receives the Protected Disclosure against CEC, he shall refer the matter to the Ethics Committee for preliminary enquiry/appointment of investigator(s). The decision to proceed on investigation and procedure thereof will be decided by the CEC. All Protected Disclosures reported under this Policy will be thoroughly investigated by the CEC / Ethics Committee / investigators of the Company, as the case may be. In case CEC/ any of the member of the Ethics Committee / investigator has a conflict of interest in any given case, then he/she will recuse, and the other members of the Ethics Committee/investigator will deal with the matter on hand.
- e) The procedure to be followed in any investigation shall be decided by CEC / Ethics Committee, as the case may be. The process of investigation shall be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- f) The persons alleged to be involved in the unethical practice, shall co-operate with the Investigators during investigation and shall abide by the directions of the investigator(s) including responding to the complaint against him / her in writing.

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Such persons shall have a reasonable opportunity of being heard and have a right to consult, at his own cost, with a person or persons of their choice, other than the Investigators. However, such person shall not interfere in the process of investigation.

- g) Any evidence shall not be withheld, destroyed, or tampered with, and witnesses shall not be influenced, coached, threatened, or intimidated, by any employee/ person.
- h) The investigators shall complete the investigation within 45 (forty-five) days or within such extended period as may be granted by CEC/Ethics Committee, of the receipt of the Protected Disclosure and submit the report to the Chairman of the Audit Committee. Decision on the report would be taken by the Committee within 30 (thirty) days of the date of the report. The Whistle Blower may appear directly before the Chairman of the Audit Committee in exceptional circumstances.
- i) On the completion of investigation, it would be the responsibility of the CEC/ Ethics Committee to recommend suitable action to the management and advise the concerned Department Head to take suitable corrective measures to avoid recurrence of such Protected Disclosure and take suitable disciplinary action against the alleged persons. However, any disciplinary or corrective action initiated against the alleged person 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.
- j) Investigator shall assist in all respects to the CEC / Ethics Committee members, for smooth completion of the investigation process under the policy.
- k) If an inquiry has been initiated by the Company in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information, the relevant intermediaries and fiduciaries shall co-operate with the Company in connection with such inquiry conducted by listed company. The same procedure of investigation shall be followed in this regard.

## 8. Protection

- a) No unfair treatment shall be given to a Whistle Blower by virtue of his/her having made a Protected Disclosure under this Policy. The Company shall ensure that any kind of discrimination, harassment, victimization, or any other unfair employment practice is not adopted against Whistle Blowers and no action would be taken to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosures. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the company would arrange for the Whistle Blower to receive legal advice about the procedure, etc.

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- b) The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the CEC / Ethics Committee / Chairman of the Audit Committee (e.g. during investigations carried out by Investigators).
- c) Any other Employee/ person assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

## 9. Reporting

CEC shall submit a report to the Audit Committee on a quarterly basis, about all Protected Disclosures referred to the Committee, since the last report together with the results of investigations, if any, actions recommended and implementation.

The report shall be reviewed and recorded by the Audit Committee.

## 10. Retention of documents

All Protected Disclosures along with the evidence gathered during investigation and results and other investigation documents relating thereto, shall be retained by the Company for a minimum period of seven years or such period as may be required under law for an ongoing investigation/litigation.

## 11. Communication of policy

The Whistleblower Policy will be displayed on the intranet portal and website of the Company.

The Policy shall be communicated by the Human Resources Department to all the employees, directors and stakeholders of the Company, through circular/display on the Notice Board / display on the intranet/website/through town hall meetings of the Company.

## 12. Review and Amendment of policy

The Audit Committee shall review the functioning of the Whistleblower mechanism. Based on such review, it will recommend the amendment, if necessary, to this Policy to the Board and the Board shall review at least once in every three (3) years and amend the Policy, accordingly. This policy will be revised upon changes in the regulations relevant to Whistle Blower / Vigil Mechanism or any changes that may be brought about due to any regulatory amendments or otherwise and to make the policy consistent with the laws in force.





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In the event of any conflict between the provisions of this Policy and of the Act or SEBI Listing Regulations or any other statutory enactments, rules, the provisions of such Act or SEBI Listing Regulations or statutory enactments, rules shall prevail over this Policy.

This Policy has been lastly amended as per the recommendations of the Audit Committee meeting held on February 13, 2024 and approved by the Board of Directors at its meeting held on February 14, 2024.

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, employees and stakeholders unless the same is notified to the directors and employees in writing and displayed on the website in case of stakeholders.

**For Kirloskar Brothers Limited**

**Sanjay C. Kirloskar**  
**Chairman & Managing Director**



Pune

Date : February 14, 2024