

**WHISTLE BLOWER POLICY**  
**Karam Chand Thapar & Bros. (Coal Sales) Limited**

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**I. Introduction**

1. The Company believes in the conduct of its affairs in a fair and transparent manner and endeavours to adopt highest standards of professionalism, honesty, integrity and ethical behavior, so as to develop a culture to raise concerns about any poor or unacceptable practice or misconduct in safe manner by its employees.
2. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing and accord protection to employees, who raise concern about serious irregularities within the Company.

However, the employees shall remain bound by the duty of confidentiality in the course of their employment and should not take up their personal grievances.

**II. Definitions**

1. "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company pursuant to Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014.
2. "Employee" means every employee of the Company, whether working in India or abroad.
3. "Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
4. "Disciplinary Action" means any action that can be taken on the completion of or during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
5. "Subject" means a person against or in relation to whom a Disclosure either in writing or through email is made or evidence gathered during the course of an investigation.
6. "Whistle Blower" is someone who makes a Disclosure.

**III. The Policy & Principles**

This Policy is for the Employees and it is envisaged that the Employees can be confident about raising a concern.

In order 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 Disclosure is 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 Disclosure;
5. Take disciplinary action, if any one destroys or conceals evidence of the Disclosure made/to be made;
6. Provide an opportunity of being heard to the persons involved especially to the Subject;

Further, The Whistle Blower shall report reliable information and they are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

#### **IV. Scope of Policy**

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority, breach of contract or negligence causing substantial and specific danger to public health and safety.
2. Manipulation of company data/records or pilferation of confidential/propriety information.
3. Financial irregularities, including fraud, or suspected fraud or Criminal offence
4. Deliberate violation of law/regulation
5. Wastage/misappropriation of company funds/assets, breach of employee Code of Conduct or Rules.
6. Any other unethical, biased, favoured, imprudent event.

However, the mechanism should not be used for redressing personal grievances or to route malicious/unfounded allegations against colleagues.

#### **V. Procedure to Report Disclosure & Investigation**

1. All Disclosures to be made directly to the Audit Committee. The Disclosures, whether made openly, confidentially or anonymously, shall be promptly reported to the Audit Committee.

2. The Disclosure should be made either in writing and addressed to;

The Audit Committee  
Karam Chand Thapar & Bros. (Coal sales) Limited  
Thapar House, 25, Brabourne Road,  
Kolkata – 700 001; or

Email:whistleblower@kctgroup.com

3. The Disclosure 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.
4. Each Disclosure made to the Audit Committee, whether openly, confidentially or anonymously, shall be reviewed by the Audit Committee, who may, in their discretion, consult with any member of management who is not the subject of the allegation and who may have appropriate expertise to assist the Audit Committee.
5. If the Audit Committee determines that management should investigate the Disclosure, the Management shall thereafter promptly investigate the Disclosure and shall report the results of its investigation, in writing, to the Audit Committee. Management shall be free in its discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.
6. If the Audit Committee determines that it should investigate the Disclosure, the Audit Committee shall promptly determine what professional assistance, if any, it needs in order to conduct the investigation. The Audit Committee shall be free in its discretion to engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results.
7. The decision to conduct an investigation taken by 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.
8. The Audit committee may also delegate it's power/(s) mentioned hereunto including power to investigate etc. to any member of the Audit Committee or such other officer of the Company, which it deems fit and proper.
9. Notwithstanding anything contained herein unto the Whistle Blower may directly approach the chairperson of the Audit Committee to make disclosure.

## **VI. Decision**

If an investigation leads the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Audit Committee 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 personnel or staff conduct and disciplinary procedures.

## **VII. Disqualifications**

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. The Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Audit Committee or any of his delegate.
3. 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.
4. Whistle Blowers, who make any Disclosure, which have been subsequently found to be *mala fide*, *frivolous* or *malicious* shall be liable for disciplinary action.

## **VIII. Protection Of Whistleblowers**

The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower or any other person assisting in an investigation. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior 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 Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the 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. Consistent with the policies of the Company, the Audit Committee shall not retaliate, and shall not tolerate any retaliation by management or any other person or group, directly or indirectly, against anyone who, in good faith, makes a Disclosure or reports a Retaliatory Act or provides assistance to the Audit Committee, management or any other person or group, including any governmental, regulatory or law enforcement body, investigating a Disclosure. The Audit Committee shall not, unless compelled by judicial or other legal process, reveal the identity of any person who makes a Disclosure or reports a Retaliatory Act and who asks that his or her identity as the person who made such Disclosure remain confidential and shall not make any effort, or tolerate any effort made by any other person or group, to ascertain the identity of any person who makes a Disclosure anonymously.

The identity of the Whistle Blower shall be kept confidential at all times.

**IX. Secrecy/Confidentiality**

The Whistle Blower, the Subject, or any delegate of the Audit Committee and every one involved in the process shall:

1. maintain complete confidentiality/ secrecy of the matter
2. not discuss the matter in any informal/social gatherings/ meetings
3. discuss only to the extent or with the persons required for the purpose of completing the process and investigations
4. not keep the papers unattended anywhere at any time
5. keep the electronic mails/files under password

If any one is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

**X. Reporting**

An annual report with number of complaints received under the Policy and their outcome shall be placed before the Board.

**XI. Retention of Documents**

All Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of five years.

**XII. Amendment**

The Audit Committee shall have the right to amend or modify this Policy in whole or in part, subject to ratification by the Board.

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