

VIGIL MECHANISIM/WHISTLE BLOWER POLICY



S K S TEXTILES LIMITED

CIN:U17000MH1997PLC111406

**REGD Office: 431 B, 4TH Floor, Kewal Industrial
Estate, Senapati Bapat Marg,**

Lower Parel(w) Mumbai- 400013

S K S TEXTILES LIMITED

POLICY ON VIGIL MECHANISM/ WHISTLE BLOWER POLICY

1. PREFACE

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulation), every listed company shall and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. Such vigil mechanism shall provide adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairman of the Audit Committee in appropriate or exceptional cases.

Under these circumstances, S K S Textiles limited, being a listed Company proposes to establish a Whistle Blower / Vigil Mechanism and to formulate a policy for the same.

2. POLICY OBJECTIVES

A Whistle Blower (Vigil Mechanism) provides a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and or colleagues in general

3. SCOPE OF POLICY

This policy covers malpractices and events which have taken place/ suspected to have taken 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 concerning its employees.

4. DEFINITIONS

“Company” means the S K S Textiles Limited

“Board” means the Board of Directors of the Company.

“Code” means Code of Conduct for Directors and Senior Management Executives adopted S K S Textiles Limited

“Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance to the guidelines of listing agreement and Companies Act 2013.

“Employee” means all the present employees and directors of the Company(whether working in India or Abroad)

“Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of investigation.

“Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

“whistle blower” is an employee or group of employees who makes a protected disclosure under this policy and also referred in this policy as complainant.

“Investigator” means any person authorized , appointed, consulted or approached by the the Audit Committee and the police.

5. ELIGIBILITY

All employees of the Company are eligible to make Protected Disclosure under the Policy in relation to matters concerning the Company.

6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES:

All protected disclosures should be addressed to Mr. Satish Sharma, Non- Executive Independent Director of the Company and the Chairman of the Audit Committee of the Board of Directors of the Company. The contact details of the Chairman of the Audit Committee:

Mr. Satish Sharma
B-406, Arihant Ananya, Plot -4
Sector 35-G, Kharghar,
Navi Mumbai,
Maharashtra-410210

The protected disclosure should preferably be reported in writing so as to ensure a clear understanding of the issues raised. The Protected disclosure can also be prepared verbally, either personally or over telephone to the Chairman of the Audit Committee, which should be followed by written communication. The written communication 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. It is suggested that 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 shall detach the covering letter and discuss the Protected Disclosure with members of the Audit Committee to decide further action in the matter. If the Whistle Blower does not wish to reveal identity he / she may feel free to do so without revealing identity. However the disclosure has to be complete and supported by facts and

figures to enable proper scrutiny and investigation. Protected Disclosure should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to enable proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

7. INVESTIGATION

All Protected disclosure under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other officer of the Company and / or an outside agency for the purpose of investigation. The decision to conduct an investigation is by itself not an accusation and is to be treated a neutral fact finding process.

Subjects will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation. Subject shall have a duty to co-operate with the Audit Committee or any of the officers appointed by it in this regard to the extent that such co-operation will not compromise self incrimination protection available under the applicable law. Subjects have a right to consult with a person or persons of their choice, other than the investigators and/or members of the Audit Committee and /or the Whistle Blower.

Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached , threatened or intimidated by the subjects. Unless there are compelling reasons not to do so , subjects will be given the opportunity to respond to material finding contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation. Subjects have a right to be informed of the outcome of the investigations. If allegations are not sustained, the subject should be consulted as to whether public disclosure of the investigation results would be in the interest of the Subject and the Company.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

8. DECISION:

If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as it may deem fit. It is clarified that an disciplinary or corrective action initiated the Subject as a result of the findings of an investigation pursuant to this policy shall adhere to the applicant personnel or staff conduct and disciplinary procedures.

9. REPORTING

The investigator(s) shall submit a report to the Audit Committee on a regular basis about all Protected Disclosure referred to him/her since the last report together with the results of investigations, if any.

10. SECRECY/CONFIDENTIALITY

The Complainant, the chairman of the audit Committee, members of Audit Committee , the Subject and everybody involved in the process shall:

- a) Maintain confidentiality of all matters under this Policy.
- b) Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- c) Not keep the papers unattended anywhere at any time.
- d) Keep the electronic mails/files under password.

11. 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 or 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.
- 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 .
- iii. The identity of the whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The Identity of the whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy.

- iv. Any other Employee assisting in the said investigation shall also be protected to the same extent as whistle Blower.
- v. Provided however that the complainant before making a compliant has reasonable belief that an issue exists and he has acted in good faith. Any compliant not made in good faith as assessed as such by the Audit committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules/ certified standing orders of the Company. This Policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

12. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

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. RETENTION OF DOCUMENTS

All Protected disclosures in writing or document along with the results of investigation relating thereto , shall be retained by the Company for a period of 7 (seven)years.

14.ADMINISTRATION AND REVIEW OF THE POLICY

The managing Director shall be responsible for the administration, interpretation, application and review of this policy. The Managing Director also shall be empowered to bring about necessary changes to this policy, if required at any stage with the concurrence of the Audit Committee.

15. 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. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.