

## PREFACE

The Company believes in conducting its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.

Section 177 of the Companies Act, 2013 requires every listed company 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

Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, with effective from 1<sup>st</sup> October 2014 *inter alia*, provides for a mandatory requirement for all listed companies to establish a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct.

The Company has also adopted a Code of Conduct for Board of Directors and Senior Management ("the Code"), which lays down the principles and standards that should govern the actions of the Directors and Senior Management.

## POLICY

KSK Energy Ventures Limited, in compliance of the above requirements, has established a Vigil (Whistle Blower) Mechanism and formulated a Policy to enable Directors and employees to report concerns of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct and wrongdoing which could affect the business or reputation of the Company. Any allegations that fall within the scope are investigated and dealt with appropriately.

## POLICY OBJECTIVES

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct, fraud or unethical behavior to come forward and express these concerns without fear of punishment or unfair treatment.

The Vigil (Whistle Blower) Mechanism provides direct access to the Chairman of the Audit Committee in exceptional cases.

## 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, misuse or abuse of authority, breach of Company's Code of Conduct, fraud or suspected fraud, violation of the terms and conditions of employment and rules thereof, manipulations, negligence causing specific danger to public health, safety and environment, violation of laws/regulations, misappropriation of Company funds / assets, 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. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities

## 2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

- a. **"Audit Committee"** means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- b. **"Employee"** means every employee of the Company, including the directors in the employment of the Company.
- c. **"Code"** means the KSK's Code of Conduct.
- d. **"Director"** means every Director of the Company, past or present.
- e. **"Investigators"** mean those persons authorised, appointed, consulted or approached by the Ethics Counsellor/Chairman of the Audit Committee and includes the auditors of the Company and the police.
- f. **"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- g. **"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.

WHISTLE BLOWER POLICY & VIGIL MECHANISM

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h. **“Whistleblower”** means an Employee or director making a Protected Disclosure under this Policy

**ELIGIBILITY**

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or any other KSK Group Company.

**DISQUALIFICATIONS**

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. 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.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

**PROCEDURE**

- All Protected Disclosures should be reported in writing by the complainant as soon as he/she becomes aware of the same and must be addressed to the Vigilance Officer or to the Chairman of the Audit Committee of the Company in exceptional cases for investigation.

The contact details of the Vigilance Officer are as under:-

Mr. M.S. Phani Sekhar  
Company Secretary & Compliance Officer  
431/A, Road No.22, Jubilee Hills,  
Hyderabad – 500 033

The Contact details of the Chairman of the Audit Committee are as under:

Mr. S.R. Iyer  
Chairman – Audit Committee of Directors  
431/A, Road No.22, Jubilee Hills,  
Hyderabad – 500 033.

**WHISTLE BLOWER POLICY & VIGIL MECHANISM**

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- If a protected disclosure is received by any executive of the Company other than Vigilance Officer or the Chairman of Audit Committee, the same should be forwarded to the Company's Vigilance Officer or the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
- The Whistle Blowers are not advised to write their name / address on the envelope or enter into any further correspondence with the Vigilance officer. In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer.
- Protected Disclosures should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

**INVESTIGATION**

- All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Officer / Chairman of the Audit Committee of the Company will carry out investigation either by himself/herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.
- If any member of the Audit Committee has a conflict of interest in any given case, then he should recuse himself and the other members of the Audit Committee should deal with the matter on hand.
- 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.
- The decision to conduct an investigation taken by the Vigilance Officer / Chairman of 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 Whistleblower that an improper or unethical act was committed.
- The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation and will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

WHISTLE BLOWER POLICY & VIGIL MECHANISM

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- Subjects shall have a duty to co-operate with the Vigilance Officer / Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- Subjects have a right to consult with a person or persons of their choice, other than the Vigilance officer / Investigators and/or members of the Audit Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- Subjects are barred from interfering with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses 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 findings contained in an investigation report. No allegation of wrongdoing against a Subject 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 investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

**REPORTING**

- If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- The Vigilance Officer shall submit a report to the Audit Committee on a regular basis about all Protected Disclosures referred to him since the last report together with the results of investigations, if any.
- A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

**WHISTLE BLOWER POLICY & VIGIL MECHANISM**

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**DECISION**

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.

**PROTECTION**

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

No unfair treatment will be meted out to a Whistle Blower by virtue of his having reported a Protected Disclosure under this policy and adequate safeguards against victimisation of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

**COMMUNICATION**

Directors and Employees shall be informed of the Policy by hoisting it on the website of the Company.

**RETENTION OF DOCUMENTS**

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 7 (Seven) years.

**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 the Employees and directors in writing.