

KNR CONSTRUCTIONS LIMITED

VIGIL MECHANISM/WHISTLE BLOWER POLICY

I) Background:

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and Powers) Rules, 2014 and SEBI Listing Regulations, 2015 every listed entity is mandated to establish a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of company's code of conduct or ethics policy.

Further, the policy is also amended to include the reporting instances of leak of unpublished price sensitive information, pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

II) Objective of the policy:

This policy provides a channel to the employees to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them 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.

III) Definitions:

"Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with the Companies Act and the Listing Regulations.

"Code of Ethics and Business Conduct" refers to the Company Code of Ethics and Business Conduct Policy as available on the Company's website.

"Investigators" mean those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee.

"Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence any Reportable Matter.

"Disciplinary Action" means any action that can be taken on the completion of /during the investigation proceedings including but not limiting 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.

"Employee" means every employee of the Company (whether working in India or abroad), or its subsidiaries, including the Directors of the Company and its subsidiaries.

"Vigilance Officer" means an officer who is nominated to conduct detailed investigation of the disclosure received from whistle blower and recommends disciplinary action. Currently, Company Secretary & Compliance Officer is nominated as Vigilance Officer.

"Subject" means a person against whom a Disclosure has been made.

"Unpublished Price Sensitive Information (UPSI)" means Information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- (v) changes in key managerial personnel

"Whistle Blower" means an employee making a Disclosure under this Policy.

"Whistle Blower Policy" or "this Policy" means this whistle blower policy as may be amended, modified, reinstated by the Company.

IV) Scope:

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.

Protected Disclosures will be appropriately dealt with by the Chairman of the Audit Committee.

V) Procedure:

- a) All Protected Disclosures concerning financial / accounting matters should be forwarded to the Chairman of the Audit Committee of the Company either by sending the same in a sealed envelope marked "Private and Confidential" to the Company Secretary and Compliance Officer at the Registered Office of the Company or by email to cs@knrcl.com.
- b) All other Protected Disclosures concerning the Vigilance Officer, Vice-Presidents and Heads of the Departments should be addressed to the Chairman of the Audit Committee and those concerning other employees should be submitted to Vigilance Officer either by sending the same in a sealed envelope marked "Private and Confidential" to the Company Secretary and Compliance Officer at the Registered Office of the Company or by email to cs@knrcl.com.

- c) Protected Disclosures received by any executive other than Chairman of the Audit Committee or Vigilance Officer should immediately be forwarded to the concerned authority.
- d) Protected Disclosure should not be speculative or of a nature which indicates a conclusion and it should contain specific information to allow for proper assessment seriousness of the concern or urgency of a preliminary investigative procedure.
- e) The Whistle Blower's role is that of reporting a Disclosure with reliable information and they are not expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in the case reported. Whistle Blowers will not have a right to participate in any investigative activities other than as requested by the Audit Committee. If so required, the Whistle Blower is expected to co-operate with the Audit Committee and in the course of any investigation with respect to any Disclosure made by the Whistle Blower.

VI) Investigation

- a) All Disclosures reported under this Policy will be investigated by the Chairman of the Audit Committee as authorized by Audit Committee. It is at the discretion of Chairman of the Audit Committee to involve the investigators in the process.
- b) The decision to conduct an investigation is not to be construed as an accusation however be treated as a neutral fact-finding process. The outcome of investigation may or may not sustain the claim of the Whistle Blower.
- c) The identity of the subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation. The subject will normally be informed of the allegations at the outset of a formal investigation and will have opportunities for providing inputs during the investigation.
- d) An allegation of wrongdoing will not be sustained unless there is sufficient evidence in support of the allegation.
- e) Subject shall co-operate with the authorities during the process of investigation and restrain from indulging in activities like tampering, destroying or withholding of evidence, influencing, coaching, threatening or intimidating of the witnesses.
- f) Subject will have right to consult with any person other than the investigating authorities or engage counsel at his own cost to represent him.
- g) The investigation shall be completed within a period of 6 (six) weeks of the receipt of the Protected Disclosure and will prepare an enquiry report along with the findings. The Subject as well as the Whistle Blower will be informed of the outcome of the investigation.

VII) Protection of Whistle Blower

- a) No unfair treatment will be meted out to a Whistleblower by virtue of his/her having reported a Protected Disclosure under this Policy, including any kind of discrimination, harassment, victimization or any other unfair practice like

retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion.

- b) A Whistleblower 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.
- c) The identity of the Whistleblower 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 Whistleblower.
- d) Any person who victimizes or subjects any Whistle Blower to unfair treatment in violation of this Clause on account of the Whistle Blower having made a Disclosure shall be subject to disciplinary action, which may include termination of services or legal action.

VIII) Decision

Pursuant to completion of the investigation process, if the Audit Committee is of the view that there has been unethical behavior, fraud, or a violation of the Code of Ethical Conduct or instances of leak of unpublished price sensitive information, the Audit Committee shall in its report suggest the disciplinary or corrective action (including but not limited to warning, fine, suspension or dismissal, depending on the severity of the matter) to be taken against the Subject as the Audit Committee deems fit. However, any such disciplinary or corrective action is to be as per the disciplinary procedures of the Company and can also include legal action if necessary.

IX) Reporting

A report shall be submitted to the Audit Committee, by any such officer as authorized by the Audit Committee, on a periodical basis about all Protected Disclosures referred to him since the last report together with the results of the investigations, if any.

X) Preservation of Documents

All Protected Disclosures and necessary supporting documents along with the results of investigation shall be retained by the Company for a minimum period of five years.

XI) Guiding Principles

In order to ensure adherence to this Policy and assurance of the action on the concern, the Company shall:

- a) Ensure that Whistle Blower is not victimized as a result of making the Protected Disclosure;

- b) Treat any victimization of the Whistle Blower or any witnesses seriously and initiate disciplinary action in accordance with this Policy.
- c) Ensure complete confidentiality with respect to the investigation process.
- d) Not attempt to conceal evidence and disciplinary action, if any one destroys or conceals evidence of protected disclosure.
- e) Take disciplinary action against any person who is in violation of this Policy.

XII) Amendments to the policy

The Company reserves the right to amend, abrogate, modify, rescind / reinstate the entire Policy or any part of it at any time. Any such amendment or modification shall come into effect on and from the date the same is approved by the Board of Directors of the Company.

(Amended at the board meeting held on 29th May 2025)