

WHISTLE BLOWER / VIGIL MECHANISM

1. Background

Section 177(9) of the Companies Act, 2013, the Rules framed thereunder and Regulation 4(2)(d)(iv), 22 & 46(2)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) ["SEBI (LODR)"], contain detailed provisions on Vigil Mechanism or Whistle Blower Mechanism which needs to be implemented in all Companies governed under the Statutes. Moreover, KSR Footwear Limited (hereinafter referred to as "the Company"), believes in the conduct of its affairs in a fair and transparent manner by adopting and upholding highest standards of ethics, professionalism, honesty and integrity.

Through this Whistle Blower / Vigil Mechanism Policy" (hereinafter 'the Policy'), the Company shall enable all employee and / or associate to raise their complaints / concerns / grievances related to any form of misconduct, mismanagement or any kind of violation of laws, rules or regulations in the Company, in a prescribed method, without any fear of victimization and persecution. This Policy shall provide for adequate safe guards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

This Policy is approved by the Board of Directors of KSR Footwear Limited vide their meeting held on June 10, 2025 and shall be effective from the said date.

2. Definitions

"**Alleged wrongful conduct**" shall mean violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority".

"**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 Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has responsibility for supervising the development and implementation of this Policy.

"**Board**" means the Board of Directors of the Company.

"**Employee**" means all the present employees, Key Managerial Personnels and Directors of the Company.

"**Protected Disclosure**" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or "Improper Activity".

"**Reportable Matter**" means a genuine concern concerning actual or suspected:

- (i) fraudulent practices, such as improperly tampering with the Company's books and records or theft of Company's property;
- (ii) corruption, including bribery and money laundering; and

(iii) breaches of the Code of Ethics and Conduct.

Please note that complaints concerning personal grievances, such as professional development issues or employee compensation, sexual harassment etc. are not Reportable Matters for purposes of this Policy.

"Whistle Blower" is an employee or group of employees or stakeholders or directors who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

3. Eligibility:

All employees, Key Managerial Personnels stakeholder or directors of the Company are eligible to make "Protected Disclosures".

4. Scope of Policy:

This Policy encourages all the Whistle Blowers to report any kind of misuse of Company's properties, mismanagement or misconduct prevailing / executed in the Company or any kind of violation of laws, rules and regulations, which the Whistle Blower in good faith, believes, evidences any of the following:

- (i) Breach of Company's Code of Conduct.
- (ii) Commission of gross misconduct and Business Ethics.
- (iii) Violation of any law or regulations, policies including but not limited to corruption, bribery, theft, fraud, coercion and wilful omission and negligence.
- (iv) Criminal Offence having ramifications on the Company or its repute.
- (v) Rebating of Commission / benefit or conflict of interest.
- (vi) Procurement frauds.
- (vii) Mismanagement, gross wastage or misappropriation of Company's funds / assets.
- (viii) Manipulation and / or unethical sharing of Company's data / records.
- (ix) Misappropriating cash / Company's assets, leaking confidential or proprietary information.
- (x) Unofficial use of Company's property (tangible and intellectual) / human assets.
- (xi) Activities violating Company's policies.
- (xii) A substantial and specific danger to public health and safety.
- (xiii) An abuse of authority or fraud.
- (xiv) Leak of Unpublished Price Sensitive Information (UPSI).

UPSI has the same meaning as defined under Regulation 2(1)(n) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

- (xv) Any other activity/ies or behaviour or events, whether unethical or improper in nature, which are against the interests of the Company.

5. Procedures - Essentials and handling of Protected Disclosure:

- (i) The Protected Disclosure / Complaint should be attached to a letter bearing the identity of the whistle blower / complainant i.e., his/her Name, Employee Number and Location, and should be in a **closed / secured / sealed envelope** addressed to the Chairman of the Audit Committee which should be **superscribed "Protected Disclosure"**. (If the envelope is not superscribed and closed / sealed / secured, it will not be possible to provide protection to the whistle blower as specified under this policy).
- (ii) Anonymous or pseudonymous protected disclosure shall not be entertained.
- (iii) Protected Disclosure should either be typed or written in legible hand writing in English, Hindi or Regional language of the place of employment of the whistle blower and should provide a clear understanding of the Improper Activity involved or issue / concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible and should help in initial assessment and investigation.
- (iv) Alternatively, the Protected Disclosure / Complaint can be submitted via email to compliance@ksrfootwear.com.
- (v) Protected Disclosures 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.

6. Investigation

- 6.1. All protected disclosures 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 including Vigilance and Security Superintendent of the Company for the purpose of investigation.
- 6.2. The decision to conduct an investigation taken by Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process.
- 6.3. Person(s) Concerned 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.
- 6.4. Person(s) Concerned 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

cooperation will not compromise self-incrimination protections available under the applicable laws.

6.5. Person(s) Concerned 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 Person(s) Concerned.

6.6. Unless there are compelling reasons not to do so, Person(s) Concerned will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a Person(s) Concerned shall be considered as maintainable unless there is good evidence in support of the allegation.

6.7. Person(s) Concerned have a right to be informed of the outcome of the investigations.

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

7. Decision and Reporting

7.1. Audit Committee along with its recommendations will report its findings to the Management and Management will have the power to take the necessary actions.

7.2. If the report of investigation is not to the satisfaction of the complainant, the complainant has right to report the event to the appropriate legal or investigating agency.

7.3. A complainant who makes false allegations of unethical & improper practices or about wrongful conduct of the subject to the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

8. Secrecy / Confidentiality

8.1. The complainant, Nodal officer, Members of Audit committee, the Subject and everybody involved in the process shall:

8.1.1. Maintain confidentiality of all matters under this Policy

8.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.

8.1.3. Not to keep the papers unattended anywhere at any time

8.1.4. Keep the electronic mails / files under password.

9. Retention of Documents

9.1. All Protected disclosures documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

10. Disclosures:

This vigil mechanism shall be disclosed by the Company on its website and the Board's Report as to be prepared and attached with the Annual Report of the Company in terms of the provisions of the Companies Act, 2013.

11. Amendments

This policy can be modified or repealed at any time by the Board of Directors of the Company. In case of any amendment(s), clarification(s), circular(s) etc. issued by relevant authorities, not consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail and this Policy shall stand amended automatically to that extent.

12. Notification

This Policy shall be circulated by the Human Resources Department of the Company. This Policy as amended from time to time shall be made available at the website of the Company.