

Ruchi Infrastructure Limited

Vigil Mechanism/Whistle Blower Policy

(Approved by the Board of Directors of the Company on 22nd May, 2019).



Introduction

Ruchi Infrastructure Ltd., ("the Company") believes in conducting its business and working with all its stakeholders, including employees, customers, suppliers, shareholders and business associates in an ethical and lawful manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.

The Board had approved Whistle Blower Policy on 11th November, 2014 in terms of provisions of Section 177 of the Companies Act, 2013 read with Rule made thereunder and Clause 49 of the erstwhile listing agreements. The Board further approved Whistle Blower Policy on 10th February, 2016 in terms of provisions of Section 177 of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and updated/amended the policy on 27th May, 2016. This amended Policy was approved by the Board of Directors on 22nd May, 2019 to be effective from immediate effect.

The Company is obliged to establish a mechanism called "Vigil Mechanism or Whistle Blower Policy" for directors/employees and any other person who avail the mechanism to report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, ensuring adequate safeguards against victimization of Whistle Blowers. The objective of this Policy is to ensure and strengthen an operating mechanism towards continuous achievement of aforesaid obligation of the Company.

The purpose of this policy is to revise the existing Whistle Blower Policy and to strengthen the formal mechanism/process to provide protection to the directors/employees of the Company in reporting of genuine concerns or grievances from unethical work practices and irregularities and enabling stakeholders, including individual employees, their representative bodies, etc., to freely communicate their concerns about illegal or unethical practices.

Definitions

"Audit Committee" means a Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

"Company" means the Ruchi Infrastructure Limited and all its offices.

"Code" means Code of Conduct for Directors and Senior Management adopted by Ruchi Infrastructure Limited.

"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 director and employee of the Company (whether working in India or abroad) and its subsidiaries, including employees seconded to the subsidiaries of the Company and/or any Joint Venture.

“Protected Disclosure” means a disclosure of certain information in the nature of concern raised by a written/ oral communication made in good faith that evidences unethical or improper activity in relation to the Company and its subsidiaries.

“Whistle Blower” is someone who discloses a Protected Disclosure under this Policy.

“Whistle Committee” means a Committee comprising of members of Audit Committee and the Chief Financial Officer of the Company and such Committee shall be chaired by the Chairperson of the Audit Committee, for the purpose of receiving and investigating all complaints and Protected Disclosures under this policy. The Chief Financial Officer of the Company shall be the Vigilance Officer for the purpose of this policy. The investigating team will be selected by the Whistle Committee. If any of the members of the Committee have a conflict of interest, in a given case, they should recuse themselves and the others on the Committee would deal with the matter on hand.

“Stakeholders” includes employees, their representative bodies, vendors, suppliers, customers, business associates and others with whom the Company has any financial or commercial dealings.

Scope of Policy

The Policy is an extension of the Code of Conduct and covers any concerns which are malpractices and events which have taken place/ suspected to have taken place including but not limited to:

- i. Abuse of authority for financial gains by any employee.
- ii. Breach of contract of employment by any employee or the Company.
- iii. Negligence causing substantial and specific danger to public health and safety and the environment.
- iv. Manipulation of company data/records including data contained floppies, disks and any other electronic mode.
- v. Any grievance of financial irregularities and bribes of vendors, suppliers, etc of the Company which would have come to the notice of any employee or stakeholder.
- vi. Financial irregularities, including fraud, or suspected fraud; theft and attempted theft.



- vii. Breach of any internal controls established within the organization.
- viii. Criminal activity or offence with in office/factories premises and other areas like godowns, storage facilities and fields under possession of company.
- ix. Pilferage or Disclosure of confidential/propriety/ Price Sensitive information and / or leak or suspected leak of Unpublished Price Sensitive information.
- x. Wastage/misappropriation of company's funds/assets.
- xi. Breach of Company's Code of Conduct of the Company or the Policy for Prevention of Sexual Harassment or any other rule or policy as may be formulated by the Company from time to time; and
- xii. Any other unethical or fraudulent activity.

Eligibility

All the directors, employees and stakeholders of the Company and its subsidiaries are eligible to make Protected Disclosure under the Policy in relation to the matters concerning the Company and in any matters as laid in above paragraph.

Protection and Disqualification

The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower.

It shall be ensured that the Whistle Blower shall be protected from any adverse action which may include but is not limited to termination of employment, demotion, suspension, decision not to promote, unwarranted performance rating, harassment, biased behavior withholding of salary, imposition of transfer or reassignment, denial of rewards, leave, benefits for which he/she is eligible, or any other significant changes in the job; which may arise out of the him/ her making the Protected Disclosure or due to the ongoing investigation or on report being submitted to the Whistle Committee.

The identity of the Whistle Blower shall be kept confidential. Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

In case of occurrence of any adverse action towards the Whistle Blower, he shall have right to directly approach to The Chairperson of the Audit Committee.



However, this policy should not be misused by the directors/employees/stakeholders to make fraudulent or frivolous or malicious or bogus disclosures to the Whistle Committee. In case of repeated frivolous complaints being filed by an employee or director, the whistle committee may take suitable action against the concerned director or employee including reprimand.

Whistle Blower, who makes any Protected Disclosures, which have been subsequently found to be fraudulent or frivolous or malicious or bogus, will be penalized or disciplinary action will be initiated against him/her or he/she will be disqualified from reporting further Protected Disclosures under this Policy for such period as the Whistle Committee may impose.

Procedure for making Protected Disclosure

Directors/Employees/Stakeholders can make Protected Disclosures to Mr. Ravindra Kumar Kakani (hereinafter called "Vigilance Officer") on becoming aware of any wrongful conduct or activity as soon as possible after becoming aware of the same.

If a protected disclosure is received by any other employee of the company other than the Vigilance Officer, the same should be forwarded to the Vigilance Officer for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.

Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should be either :

a. In the form of a letter written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower. It should be marked as private and confidential and sent to the below mentioned address:

Mr. Ravindra Kumar Kakani
Vigilance Officer
Whistle Committee
Ruchi Infrastructure Limited
1st Floor, the Horizon Building,
11/5, South Tukoganj, Indore (M.P.)

b. In the form of an email and shall be e-mailed at the following email id: ravindra_kakani@ruchiinfrastructure.com

Whistle Blower must disclose his/her name in the Protected Disclosure. Concern(s) expressed anonymously will not be investigated under this policy, unless it provides specific and credible information that supports the concern/complaint, such as alleged perpetrators, location and type of incident, names of other personnel aware of the issue,



specific evidence, amounts involved, etc., which are sufficient grounds for Whistle Committee to consider an investigation.

The Protected Disclosure shall state clearly the relevant details of the fraud or misconduct or suspected fraud or misconduct including the name of the employee or employees who have engaged in the misconduct or fraud.

In appropriate and exceptional cases, the Whistle Blower may directly access to Chairperson of the Audit Committee and can make the Protected Disclosure directly to the Chairperson, Audit Committee.

Investigation

If initial enquiries by the Whistle Committee suggest / indicate that the Protected Disclosure has no basis, or it is not a matter to be taken up for investigation under this Policy, the Protected Disclosure may be dismissed and the decision shall be communicated in writing to the Whistle Blower.

If the initial inquiry by the Whistle Committee, indicate that the matter disclosed under Protected disclosure need to be investigated further, they may order investigation and inquiry and appoint such person or persons as they may consider necessary for conducting the investigation (hereinafter referred to as "Investigation Officer"). Such order, if any, of investigation, shall by itself not an accusation and such investigation shall be a neutral fact-finding process.

The identity of Whistle Blower and the person(s) against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation shall be kept confidential to the extent possible given the legitimate needs of law and the investigation.

The Investigation Officer shall hold inquiry into the matter and shall submit a report to Whistle Committee not later than 30 days from the date of his/her appointment. The Investigation Officer may seek an extension for submitting the report from the Whistle Committee for a further period of 30 days, which may be allowed at the discretion of the Whistle Committee.

The Whistle Blower shall be under an obligation to co-operate with the Investigation Officer, when the matter is under inquiry and shall disclose such information or provide documents as may be required for the purpose of the investigation.

On submission of report, the Whistle Committee shall:

a. In case the Protected Disclosure is proved, order such Disciplinary Action as the Whistle Committee may think fit and order adoption of preventive measures to avoid reoccurrence of the matter. Or depending upon the seriousness of the matter, may refer the matter to the Board with its recommendations. The Board may order such



Disciplinary Action, with or without modifications to recommendations of the Whistle Committee, as it may deem fit and order adoption of preventive measures to avoid reoccurrence of the matter.

b. In case the Protected Disclosure is not proved, extinguish the matter.

Secrecy/Confidentiality

The Whistle Blower, the Whistle Committee and any other person involved in the investigation shall maintain complete confidentiality/ secrecy of the matter.

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

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 minimum period of three years.

Amendment

The Board of Directors of the Company shall have the authority to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever and communicating the same to the employees of the Company.

