

## **RNFI SERVICES LIMITED (RSL)**

### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

#### **1.0 Preface**

Section 177 of the Companies Act, 2013 (“Act”), Regulation 4 (2) (d) (iv) and 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) read with Regulation 9A (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”), requires every listed company to establish a Vigil Mechanism/Whistle blower policy for its Directors, Employees and Stakeholders to report genuine concerns affecting the company. RNFI Services Limited (“the Company”), being a listed company, proposes to establish a Whistle Blower Policy/ Vigil Mechanism for the same. The Company has already adopted a Code of Conduct for its Board of Directors and senior management in compliance with Regulation 17 (5) of the LODR Regulations (“the Code”) together with Terms of reference for Employees, which lay down the principles and standards that should govern the actions of the Company and its Employees.

The Policy shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate and/or exceptional cases. Details of the Vigil Mechanism implemented through this Policy shall be disseminated to all stakeholders through the Company’s website and Director’s Report every year.

#### **2.0 Objective**

The Company believes in the conducting its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour through the Code and Terms of reference for its Employees. Any actual or potential violation of the applicable laws and regulations, the Code or the Terms of reference or this Policy, howsoever insignificant or perceived as such by the Company, would be a matter of serious concern for the Company. Directors and Employees are often the first to realise that there may be something not in order requiring redressal by the Company. The purpose of this Policy is that not only Directors and Employees but also any other Stakeholder must be able to raise concerns regarding any potential violation easily without any fear of retaliation. The Policy provides a channel to the Employees, Directors and all Stakeholders to report such concerns directly to the management and the Audit Committee.

This policy protects Employees, Directors as well as Stakeholders wishing to raise concern

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about serious irregularities within the Company.

This neither releases Employees or the Directors 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.

### **3.0 Eligibility**

All Employees, Directors, and Stakeholders of the Company are eligible to make Protected Disclosures (as defined below) under the Policy in relation to matters concerning the Company. They may or may not indicate their names. To enable ease of investigation of the matters, Whistle Blowers are strongly encouraged to provide their name and contact details whenever they make a Protected Disclosure under this Policy. In case they choose to remain anonymous, the call for further investigation can be taken by the based on the details furnished which make them reasonably believe that there is an element of truth in the whistle blower's allegations. In exercising this discretion, the will take into account several factors including but not limited to:

- the seriousness of the issue raised;
- the credibility of the concern; and
- the likelihood of confirming the allegation from attributable sources.

### **4.0 Scope**

- a. This Policy is applicable to the Company and all its subsidiaries.
- b. This Policy covers all such malpractices and events which have taken place/ suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company's rules, manipulations, negligence causing danger to the Company's reputation, misappropriation of monies, and other matters or activity on account of which the interests of the Company are adversely affected but does not include general customer complaints, personal grievances of employees and complaints relating to sexual harassment.
- c. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- d. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chief Ethics - Officer or the Investigators.
- e. Protected Disclosure will be appropriately dealt with by the Chief Ethics - Officer, as the case may be.

### **5.0 Definitions**

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The definitions of some of the key terms used in this Policy are given below.

- a. **“Alleged wrongful conduct”** shall mean violation of law, misuse or abuse of authority, infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to the Company’s reputation and other matters or activity on account of which the interests of the Company are adversely affected
- b. **“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 LODR Regulations.
- c. **“Board”/“Directors”** means the Board of Directors of the Company appointed in accordance with Section 149 and other provisions of the Companies Act, 2013 and Regulation 17 and other provisions of LODR Regulations.
- d. **“Chairperson of the Audit Committee”** means Chairperson of the Audit Committee duly appointed in compliance with the provisions of the Companies Act, 2013 and LODR Regulations.
- e. **“Code”** means RNFI Code of Conduct for Directors and Senior Management as per LODR Regulations.
- f. **“Company”** means the RNFI SERVICES Limited (“RSL”) and its subsidiaries.
- g. **“Employee”** means a person employed at a workplace for any work on regular, temporary, ad hoc or daily wages basis, including Key Managerial Personnel, either directly or through an agent, including a contractor, with or, without the knowledge of the principal employer, whether for remuneration or not, or working on a

voluntary basis or otherwise, whether the terms of employment are express or implied and includes a co-worker, a contract worker, probationer, trainee, apprentice or called by any other such name.

- h. **“Investigators”** mean those persons appointed and charged with the responsibility for conducting investigations of any Protected Disclosure.
- i. **“Policy”** refers to this document entailing the Company’s Whistle Blower/Vigil Mechanism, duly adopted by the Board.
- j. **“Protected Disclosure”** means any written communication made by an Employee, Director, or other Stakeholder in good faith that discloses or demonstrates information that may evidence unethical or improper activity, including leak of unpublished price sensitive information as per PIT Regulations, which is factual and not speculative, and not in the nature of an interpretation/conclusion and should contain as much specific information as possible to allow for a proper assessment of the nature and extent of the concern.
- k. **“Stakeholder”** means a person other than an employee or a director with whom the company has financial or commercial dealings
- l. **“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.
- m. **“Terms of reference” means** terms of employment and rules and regulations for employees forming part of their appointment letter.
- n. **“Whistle Blower”** means an Employee or a Director or a Stakeholder making a Protected Disclosure under this Policy.

## **6.0 Disqualification**

- a. A Whistle Blower who makes false, malicious or malafide allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigil Mechanism Officer or the Chairman of the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company including reprimand.

- b. However, the disciplinary action would be taken based on the principles of the natural justice and only after giving the reasonable opportunity to the concerned Employee/Director/Stakeholder to be heard.
- c. Whistle Blowers who make 3 or more Protected Disclosures, in a financial year which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith by the Audit Committee, will be disqualified from reporting further Protected Disclosures under this Policy for a period of Six months.

## **7.0 Procedure**

- a. A Whistle Blower shall promptly report to the Audit Committee any actual or possible violation of the Code or the Terms or the Policy or an event he / she becomes aware of that could affect the business or reputation of the Company.

- i. The Employees may report the matter by writing an email to Managing Director

After the concern has been evaluated, the will write to the Whistle blower:

- acknowledging that the concern has been received;
- indicating how it is proposed to be dealt with;
- informing whether further investigations will take place, and if not, why not.

In case the Whistle Blower does not receive an acknowledgement/interim response from the within 7 working days from the date of reporting, then he/she can escalate the same to Chairperson of the Audit Committee.

- b. For the purpose of providing the protection to the Whistle Blower, it is preferred that the Whistle Blower should disclose his/her identity in the covering letter forwarding such Protected Disclosure.

- c. This Policy has been formulated with a view to provide a mechanism for Employees, Directors, and other Stakeholders of the Company to approach the Vigil Mechanism Officer or the Chairperson of the Audit Committee in appropriate and/or exceptional cases.
- d. In respect of Protected Disclosures concerning the Directors, and members of members and Employees at the levels of Vice Presidents and above should be addressed to the Chairperson of the Audit Committee.
- e. The Audit Committee will nominate the Vigil Mechanism Officer, after discussing with the Managing Director. The composition of the shall not be gender biased.
- f. The constituted under this policy will report to and operate under the supervision of the Audit Committee.
- g. If the Subject or the Whistle Blower belong to the Committee, they will not be part of that particular meeting. An meeting to take place, at least 3 members of the committee need to be present physically or via video conference in order to form a valid quorum. In case of any of the member(s) being a party to the conflict under discussion, the Vigil Mechanism Officer will appoint adequate number of members to replace such members with consultation & consensus of the Audit Committee and Managing Director.
- h. If a Protected Disclosure is received by any Director/Executive of the Company other than , the same should be forwarded to the Company's Vigil Mechanism Officer for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential at all times.
- i. Alternatively, the Protected Disclosures can be reported in writing entailing a clear understanding of the issues raised and 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 addressed to the Vigil Mechanism Officer at the Company's Registered Office address.
- j. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Vigil Mechanism Officer alone, or by the Audit Committee or by Investigators. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt or wrong doing. A written report of the findings would be made.

- k. 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.

## **8.0 Investigation**

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Vigil Mechanism Officer before referring to the Audit Committee or its Chairperson for further appropriate investigation and needful action .
- b. The Vigil Mechanism Officer may, with the permission of the Audit Committee, consider involving any Investigators for the purpose of investigation.
- c. The decision to conduct an investigation taken by the Vigil Mechanism Officer 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 Whistle Blower that an improper or unethical act was committed.
- d. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- e. Subjects shall have a duty to co-operate with the Vigil Mechanism Officer or any of the Investigators/Members of the Audit Committee Chairperson of the Audit Committee during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- f. Subjects have a right to consult a person or persons of their choice, other than the /Investigators and/or members of the Audit Committee and/or the Whistle Blower. Subjects shall be free at any time to engage a counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject are not sustainable, then the Company will reimburse such reasonable costs of the Subject's counsel.
- g. Subjects have a responsibility not to interfere 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.

- h. 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 wrong doing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- i. 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.
- j. Investigators, if engaged are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- k. Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and in law. Investigators have a duty to fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.
- l. Investigations will be launched by the only after a preliminary review by the Vigil Mechanism Officer which establishes that:
  - i. the alleged act constitutes an improper or unethical activity or alleged wrongful conduct, and
  - ii. the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or alleged wrongful conduct.
- m. The Vigil Mechanism Officer shall send an annual reporting to the Audit Committee of all the Protected Disclosures received from the Whistle Blowers whether or not, investigations were initiated on the same.
- n. The Vigil Mechanism Officer will be required to give an update to the Audit Committee at each of their meeting about the status of the Protected Disclosures made by the Whistle Blowers.
- o. The Audit Committee or its Chairperson if deems fit, may call for further information or particulars from the subjects.



- p. Everybody involved in the process of investigation shall maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigation and on a need to know basis.
- q. The Final record of the whole process will include:
  - i. Brief facts of the matter;
  - ii. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  - iii. Whether the same Protected Disclosure was raised previously on the same subject and if so, the outcome thereof;
  - iv. Details of findings, and recommendations by Chairperson of the Audit Committee for processing the complaint/protected disclosure;
  - v. Action taken by the Company, if any.
- r. Time lines:
  - a. The Vigil Mechanism Officer will have a timeline of five working days to review the Protected Disclosures.
  - b. The would submit the report to Vigil Mechanism Officer for his decision within thirty working days from 's investigation.
  - c. The conclusion timeline with relevant documents presented to the Vigil Mechanism Officer is forty five working days. The Vigil Mechanism Officer will discuss with the members & conclude the case by giving necessary actions for/against the subject. All the members will give their votes and the final call would be taken by the Vigil Mechanism Officer within 24 hours ofthe Meeting.
  - d. The Audit Committee Chairperson will support the investigations with such inputs as may be required.

- e. All the aforesaid timelines may be extendable by such period as the Chairperson of the Audit Committee may deem fit though at any point in time shall not extend beyond ninety working days.

## **9.0 Protection**

- a. 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 of 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.
- b. The identity of the Whistle Blower shall be kept confidential to the extent possible while allowing an investigation to proceed, except as required by law.
- c. The identity of the Whistle Blower 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 Whistle Blower being wrongfully disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure.
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- e. An aggrieved Whistle Blower may report any violation of the above clause to the /Chairperson of the Audit Committee, who shall investigate into the same and recommend suitable action to the Company.

## **10. Decision & Reporting**

- a. If an investigation leads the Chairperson of the Audit Committee to conclude that an alleged wrong has been committed, they shall recommend to the management of the Company to take such disciplinary or corrective action as it may deem fit. It is clarified that any disciplinary or corrective action initiated against

the Subject because of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

- b. The Vigil Mechanism Officer shall submit a report to the Audit Committee on an annual basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- c. In case the Subject is the Chairman/Managing Director/Chief Executive Officer/Chief Financial Officer of the Company, the Chairperson of the Audit Committee after examining the Protected Disclosure shall forward the Protected Disclosure to other members of the Audit Committee. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure at its end.

#### **11. 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 Eight years or such other period as specified by any other law in force, whichever is more.

#### **12. Access to Chairperson of the Audit Committee**

The Whistle Blower shall have right to access Chairperson of the Audit Committee directly in exceptional cases and the Chairperson of the Audit Committee is authorized to prescribe suitable directions in this regard.

#### **13. Reporting of certain complaints to stock exchanges**

If after the completion of the preliminary investigation, the Audit Committee in good faith is of the unanimous view that there is an indication of the complaint being true, which might affect the operations/ financials of the Company in a way that can affect the share price of the Company and that the same is required to be reported at that stage, then requisite disclosures shall be made to the stock exchanges, in accordance with the provisions of LODR Regulations read with the Policy on Determination of Materiality formulated by the Company. This disclosure would be reported with a qualification "subject to final outcome of the investigations" and contain only the facts of such complaints. In case a complaint is received by the Company from the Securities and Exchange Board of India/ Stock Exchanges or any other such authority (to whom the Whistle Blower may have written), the outcome of the investigation along with the action to be taken by the Company if any shall be submitted to the concerned regulator/authority, on a confidential basis. If the regulator so directs, only then the Company would make the complaint and outcome of investigation, public.

#### **14. Administration and Review of the Policy**

The , under the supervision of the Audit Committee, shall be responsible for the administration, interpretation, application and review of this Policy. The Board shall be empowered to bring about necessary changes to this Policy, if required at any stage.

#### **15. Annual Affirmation**

The Company shall annually affirm that it has provided protection to the Whistle Blower from unfair adverse personal action and no individual has been denied access to the audit committee.

#### **16. Notice to Employees**

The existence of this Whistle Blower / Vigil Mechanism Policy and its changes shall be brought to the notice of all the employees and promptly uploaded on the website of the Company. The employees will file their acknowledgement of having read this policy annually with the HR Department of the company as given in Annexure.

#### **17. Amendment**

The Company may amend or modify this Policy in whole or in part, at any time, such amendment or modification shall not affect the on-going or completed investigations.

**Acknowledgement of the Whistle Blower / Vigil Mechanism Policy by employees**

I have received a copy of the Company's Whistleblower/Vigil Mechanism Policy. I have read the same and understand that compliance with applicable laws and the Company's Code of Conduct and ethics is important and, as a listed entity, the integrity of the financial information of the Company is paramount. I further understand that the Company is committed to a work environment free of retaliation for employees who have raised "protected disclosures" regarding violations of this Policy, the Company's Code of Conduct and Ethics or any applicable laws. The Company specifically prohibits retaliation whenever an employee makes a "Protected Disclosure". I agree to report any violation of applicable laws or the Company's Code of Conduct and Ethics, including any retaliation related to them that comes to my knowledge at the earliest.

Name of Employee:

Signature:

Place:

Date: