

**RISHI LASER LIMITED**

VIGIL MECHANISM /  
WHISTLE BLOWER POLICY

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#### **1. PREAMBLE**

- 1.1. Section 177 of the Companies Act, 2013 including any amendments thereto, 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.
- 1.2. Further, Regulation 4(2)(d)(iv) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), *inter alia*, provides for the listed entity to devise an effective whistleblower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.
- 1.3. Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the ‘Listing Regulations’), *inter alia*, provides for a mandatory requirement for all listed companies to establish a mechanism termed ‘Whistle Blower Policy’ for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company’s code of conduct or ethics policy.
- 1.4. Further, in terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto, (hereinafter also referred to as ‘Insider Trading Regulations’), the Company is required to formulate a Whistle Blower Policy to enable employees to report instances of leak of Unpublished Price Sensitive Information (“UPSI”). The Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information (“Code”) as required under Insider Trading Regulations.
- 1.5. The Company has adopted a Code of Conduct for Directors and the Management Team (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code is a matter of serious concern for the Company. Vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.6. Accordingly, this Whistleblower Policy (“the Policy”) has been formulated with a view to provide a mechanism for directors, employees as well as other stakeholders of the Company to approach Chairperson of the Audit Committee

of the Company or other channels set out in this policy, to report violations of the Code.

- 1.7. The Audit Committee shall review the functioning of the Whistleblower mechanism, atleast once in a financial year.
- 1.8. The Whistleblower Policy will be displayed on the website of the Company.
- 1.9. This Policy was duly approved by the Board of Directors in its meeting held on 8th May, 2014.
- 1.10. The policy applies to all Directors, employees and other stakeholders of the Company.

## **2. POLICY OBJECTIVES**

2.1 The basic objectives of this policy are:

- a) to provide a vigil mechanism and an opportunity for directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy,
- b) to create awareness amongst employees to report instances of leak of Unpublished Price Sensitive Information,
- c) to provide an opportunity to the directors or employees and provide them an avenue to raise concerns and have direct access in good faith to the Chairperson of the Audit Committee,
- d) to maintain the highest possible standards of ethical, moral and legal business conduct and the company's commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company,
- e) to provide all necessary safeguards for protection of directors and employees from reprisals, retaliation, punishments or victimization and to prohibit managerial personnel from taking any adverse action against those directors or employees as a result of the directors' or employees' good faith disclosure of alleged wrongful conduct to the audit committee. Any director or employee who discloses and subsequently suffers an adverse personal action as a result is subject to the protection of this Policy.

2.2 The Company is committed to developing the culture where it is safe for all employees to raise concerns about any unacceptable practice and any event of misconduct.

- 2.3 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct and/ or who have witnessed or have knowledge of instances of leak of Unpublished Price Sensitive Information (UPSI) or have concerns about suspected leak of UPSI to come forward and express these concerns without fear of punishment or unfair treatment.
- 2.4 A Vigil (whistleblower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.
- 2.5 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 about a personal situation or with a mala fide intent.

### 3. DEFINITIONS

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

- 3.1 **“Alleged wrongful conduct”** shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, instances of leak of UPSI or suspected leak of UPSI, substantial and specific danger to public health and safety or abuse of authority”.
- 3.2 **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013.
- 3.3 **“Board”** means the Board of Directors of the Company.
- 3.4 **“Employee”** means all the present employees and whole-time Directors of the Company (whether working in India or abroad).
- 3.5 **“Protected Disclosures”** means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

- 3.6 **“Stakeholders”** means and includes value-chain partners like suppliers, service providers, sales representatives, contractors, channel partners (including dealers), consultants, intermediaries like distributors and agents, joint venture partners; and lenders, customers, business associates, trainee and others with whom the Company has any financial or commercial dealings.
- 3.7 **“Subject”** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.8 **"Unpublished Price Sensitive Information"** means any 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 the Board of Directors or key managerial personnel.
- 3.9 **“Vigilance Officer”** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistleblower the result thereof.
- 3.10 **“Whistle Blower”** is an employee or group of employees or director or any stakeholders who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

#### **4. THE GUIDING PRINCIPLES**

- 4.1 To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:
- 4.1.1 Ensure that the whistleblower and/or the person processing the Protected Disclosure is not victimized for doing so;
  - 4.1.2 Treat victimization as a serious matter including initiating disciplinary action against such person/(s);
  - 4.1.3 Ensure complete confidentiality.
  - 4.1.4 Not attempt to conceal evidence of the Protected Disclosure;

4.1.5 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;

4.1.6 Provide an opportunity of being heard to the persons involved especially to the Subject.

## **5. SCOPE OF THE POLICY**

The policy covers the following unlawful or unethical or improper practice or activity:

- Deliberate violation of any law/regulation;
- Misuse or misappropriation of the assets of the Company;
- Gross waste or misuse or misappropriation of the Company's funds;
- A substantial and specific danger to health and safety;
- An abuse of authority;
- Breach of Company's Code of Conduct or Rules;
- Criminal Offence;
- Instances of leak of Unpublished Price Sensitive Information (UPSI) or suspected leak of UPSI;
- Any other unethical, biased event.

## **6. DISQUALIFICATIONS**

5.1 While it will be ensured that genuine whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

5.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a whistleblower knowing it to be false or bogus or with a mala fide intention or without sufficient evidence to make the allegation.

5.3 Whistleblowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to be prosecuted under Company's Code of Conduct.

## **7. ELIGIBILITY**

All directors, employees and stakeholders of the Company are eligible to make Protected Disclosures under this Policy in relation to matters concerning the Company.

## **8. RECEIPT, INVESTIGATION AND DISPOSAL OF PROTECTED DISCLOSURES**

8.1 Employees can make Protected Disclosures to the Vigilance Officer as soon as possible but not later than 30 consecutive days after becoming aware of the same.

8.2 All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases. The contact details of the Vigilance Officer is as under:

Name: Mrs. Sheela Ayyar

Rishi Laser Limited, 612, Veena Killedar Industrial Estate, 10/14, Pais Street, Byculla (West), Mumbai 400 011

Email: info@rishilaser.com

8.3 Any Protected Disclosure against the Vigilance Officer and the Protected Disclosure against any of the Directors of the Company should be addressed to the Chairman of the Audit Committee.

The contact details of the Chairman of the Audit Committee are as under:-

**Name and Address  
of the Chairman of  
the Audit Committee**

**Mrs. Sheela Ayyar**  
B-704, Florentine Building,  
Hiranandani Gardens, Powai,  
Mumbai- 400076,  
Maharashtra, India