

RATNABALI CAPITAL MARKETS LTD.

VIGIL MECHANISM POLICY

Preface

Section 177 of the Companies Act, 2013 requires every listed company or such class or classes of companies i.e. all public companies with a paid up capital of ten crore rupees or more, or turnover of one hundred crore rupees or more, or having in aggregate, outstanding loans or borrowings or debentures or deposits exceeding fifty crore rupees or more require to establish a vigil mechanism for the Directors and employees to report their genuine concerns or grievances. The Company has adopted a Policy in this regard to be followed by its Directors and Senior Management Executives (“the Code”) and which also lays down the principles and standards that should govern the actions of the employee’s vis-à-vis the Company. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The Directors and employees shall be at liberty to utilize the forum of vigil mechanism to report any such violations of the Code by any of the Directors or employees of the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism to report their grievance and also make provision for direct access to the Chairperson of the Audit Committee in appropriate cases.

Ratnabali Capital Markets Limited “RCML”, being a Public Company proposes to establish a Vigil Mechanism to safeguard the interests of its Employee and Directors, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices. The purpose of this policy is to provide a framework to promote responsible and secure Vigil Mechanism Policy. It protects Directors and Employees wishing to raise a concern about serious irregularities within the Company.

Policy Objectives and Guiding Principles

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will adopt the following measures:

- a) Issue/ Concern/ Grievance shall be acted upon in a time bound manner
- b) The mechanism shall provide for adequate safeguards against victimization of Directors and employees so that they may avail of the

mechanism and shall also provide for direct access to the Chairman of the Audit Committee in appropriate cases.

- c) It is to provide necessary safeguards for protection of employees from reprisals or victimization.
- d) Ensure complete confidentiality of the Whistle Blower;
- e) The Vigil (Whistle Blower) mechanism intends to cover concerns that could prejudice the operations, goodwill, market reputation, business and performance of the Company.
- f) Take disciplinary action, if anyone destroys or conceals evidence

The policy neither releases Directors nor employees from their duty of confidentiality in the course of their work, nor is it a route for taking up personal grievances or personal agendas.

Coverage of Policy

The Policy covers malpractices and events which have taken place/ suspected to take place including but not limited to the following:

1. Abuse of authority/ position;
2. Breach of any contract entered into by the Company;
3. Negligence causing substantial and specific danger to public health and safety;
4. Manipulation of company data/records;
5. Financial irregularities, embezzlement including fraud, or suspected fraud;
6. Any offence recognized under law;
7. Stealing/ Leaking of confidential/propriety information of the Company;
8. Any act which has the direct/ indirect consequence of diluting the goodwill or reputation of the Company in the market;
9. Wastage/misappropriation of company funds/assets;
10. Breach of any of the Company's Rules, Codes, Regulations, etc.
11. Any other unethical, biased, favoured, imprudent act or event;
12. Any matter or activity on account of which the interest of the Company is/may be affected

Procedure for raising the concern/ issue/ grievance

1. The Company shall disclose the establishment of vigil mechanism on its website and in the Board's report.
2. All the issues/ concerns / grievances should be reported in writing as soon as practically possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.
3. The issues/ concerns/ grievance should be submitted in a closed and sealed envelope by hand-delivery, courier or by post addressed to the Chairman of the Audit Committee. The Complainant should write its name on the covering letter inside the envelope.
4. The contact details of the Chairman of the Audit Committee are as under:-

Name and Address - Mr. Harsh Vardhan
Rajni Gandha Apartment 1
3, Gokhale Marg, Panchwati
Office Iffco
Lucknow – 226001

5. The Chairman of the Audit Committee shall inquire into the matter and may authorise any competent person to investigate into the matter and who shall submit the report to him for further action within 30 days of authorisation.
6. The Chairman of the Audit Committee shall consider the gravity of the concern/ grievance and shall take up the matter with the other independent directors of the Company by holding a meeting of the independent Directors within 15 days of receipt of the report.
7. The independent Directors in their meeting may invite such person or persons as they deem fit and shall decide and take necessary action with regard to the said concern / grievance.
8. The decision of the meeting shall be reported to the Board.
9. All employees & Directors of the Company shall abide by, obey and be bound to implement any decision taken or direction given by the Meeting of Independent Directors.

10. The Audit Committee shall take such other remedial action as deemed fit to remedy the improper activity mentioned compliant letter and/or to prevent the re-occurrence of such improper activity

Amendment

The Chairman of the Audit Committee with the concurrence of the Members of the Audit Committee has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever

Secrecy/Confidentiality

The subject matter of the policy shall be revealed only among the Independent Directors or any other person as the Chairman of the Audit Committee may deems fit. The matter may be discussed only to the extent or with the persons required for the purpose of completing the process and investigations.

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit

The following shall be excluded from the ambit of this Policy:

1. Personal grievances and unfounded allegations against colleagues and senior management of the Company;
2. Business and financial decisions taken by the management of the Company.

Frivolous Complaints

In case of repeated *frivolous complaints* being filed by a director or an employee, the Chairman of Audit Committee may take suitable action against the concerned director or employee including reprimand.

Management Action on False Disclosures

An employee or Director who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct of any employee or Director shall be subject to such disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures and such other action which the Company may deem fit.

Appeal

In the event any person is aggrieved by the order/ decision of the meeting of Independent Directors, it may approach the Board and make an appeal for reconsideration of the matter. The Board if it deems fit, may accept to reconsider such order/ decision.

The Board may either call for fresh investigation into the matter or it shall pass its decision on the matter within a period of 30 days of accepting such appeal. Such decision shall be as per the majority consensus of the Board. The decision of the Board shall be final and binding on all concerned parties.

Non-Retaliation

No Whistle-blower who, in good faith, makes a disclosure or lodges a complaint in accordance with this Policy shall suffer reprisal, discrimination or adverse employment consequences. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against the Whistle Blower.

Any other official of the Company assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

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.