

Whistle Blower Policy/ Vigil Mechanism Policy

RIKALP CAPITAL PRIVATE LIMITED

(FORMARLY KNOWN AS SETHI SECURITIES PRIVATE LIMITED)

CIN NO:

U65993WB1997PTC083506

REGISTERED OFFICE:

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CORPORATE OFFICE

**PLOT NO. 42, SECOND FLOOR, MONIKA VIHAR,
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Introduction

The Companies Act, 2013 read with rules and regulations requires the Company to establish a vigil mechanism for the Directors and Employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Company's Fair Practice and Code of Conduct. Such a vigil mechanism shall provide for adequate safeguards against victimization of Directors and Employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee/ Board of the Company, as may be applicable in certain exceptional cases.

In compliance of the above requirements, Rikalp Capital Private Limited (the company), has set up and adopted the following Vigil Mechanism/Whistle Blower Policy which lays down the principles and standards governing the management of grievances and concerns of Employees and Directors of the Company and shall be overseen by the Audit Committee/ Board of the Company, as may be applicable.

Regulatory Requirements

The Companies Act 2013 under the provisions of Section 177 read-with Rules made there under (as may be amended from time to time) has mandated that following Companies shall establish a vigil mechanism for directors and employees to report genuine concerns:

- a. Listed Companies.
- b. Companies accepting deposits from public.
- c. Companies that have borrowed moneys from Banks/PFIs in excess of fifty crore rupees.

Objective of the policy

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 to come forward and express these concerns without fear of punishment or unfair treatment.

The objective of this policy is to articulate company's point of view on whistle blowing, the process, and the procedure to strengthen whistle blowing mechanism in the Organization.

It Provides a platform and mechanism for the Employees and Directors to voice genuine concerns or grievances about unprofessional conduct without fear of reprisal;

It provides an environment that promotes responsible and protected whistle blowing. It reminds Employees and Directors about their duty to report any suspected violation of any law that applies to the Company and any suspected violation of the Company Values or instances of leakage of UPSI or suspected leakage of UPSI or violation of the Code of conduct and/or the insider trading.

Scope of the Policy:

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company involving:

- a) Misuse or abuse of authority
- b) Bribery / corruption;
- c) Manipulation of Company data / records;
- d) Disclosure of confidential / proprietary information to unauthorized personnel;
- e) Financial irregularities, including fraud, or suspected fraud;
- f) Criminal activity or offence affecting operations or functioning of the Company;
- g) Unauthorized disclosure of confidential / propriety / price sensitive information;
- h) Deliberate violation of laws / regulations / legal obligations;
- i) Wastage / misappropriation of Company's funds/ assets;
- j) Breach of 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;
- k) Breach of terms and conditions of employment and rules thereof; and
- l) Any other unethical, biased, favored or fraudulent activity which may affect the interests or reputation of the Company.

Procedure

Where any director or employee finds or observes any of the events which have taken place / suspected to have taken place or may take place in relation to misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and/or other activities on account of which the interest of the Company get affected shall be reported inwriting by the complainant as soon as possible.

- a. The Complaint / Grievances shall be submitted in a closed and secured envelope to the Vigilance Officer of the Company.

In order to protect identity of the complainant, the Vigilance officer will not issue any acknowledgement to the complainant and the complainants are advised neither to write

the name / address of the complainant on the envelope nor to enter into any further correspondence with the Vigilance officer. Vigilance officer assures that in case any further clarification is required they will get in touch with the complainant.

- b. All Complaint / Grievances should be addressed to the Vigilance Officer of the Company. The contact details of the Vigilance Officer are as under:

Name: MR. Tulsi Ram Saini

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- c. On receipt of the Complaint / Grievances, the Vigilance Officer/ Managing Director, as the case may be, shall make a record of the Complaint / Grievances and may also ascertain from the complainant details for further appropriate investigation and needful action.
- d. The identity of a whistle blower will be kept confidential to the extent possible given the legitimate needs of the investigation.
- e. Unless there are compelling reasons not to do so, whistle blower will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- f. Subject shall have a duty to co-operate with the Vigilance Officer / Audit Committee during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- g. Subject shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.
- h. Subject shall 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 whistle blowers.
- i. subject have a right to be informed of the outcome of the investigation. If allegations are not sustained, the whistle blower shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- j. Vigilance Officer shall normally complete the investigation within 60 days of the receipt of protected disclosure.

Protection of Whistle Blower

- a. No adverse action shall be taken against any Whistle Blower for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's code of conduct and ethics.
- b. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- c. The protection to the whistle blower under this policy shall be provided only if:
 - the disclosure/complaint has been made in good faith;
 - the whistle blower is not acting for personal gain;
 - the whistle blower reasonably believes that the information or any allegation contained in the complaint/disclosure, is substantially true.
- d. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- e. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

Confidentiality:

The Whistle Blower, Members of the Disciplinary Committee and the Audit Committee/Board, the Subject and everybody involved in the process shall:

- a. Maintain confidentiality of all matters under this Policy;
- b. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations;
- c. Not keep the papers unattended anywhere at any time; and
- d. Keep the electronic mails / files under password.

Guiding Principle

No adverse action shall be taken or recommended against any one in retaliation to disclosure / reporting a concern in good faith of any unethical behavior, actual or suspected fraud or violation of the Company's Fair Practice and Code of Conduct.

This Policy shall protect such Employees and Directors from unfair termination and unfair prejudicial employment practices. To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company shall:

- a. Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- b. Treat victimization as a serious matter, including initiating disciplinary action on person/(s) indulging in victimization;
- c. Ensure complete confidentiality;
- d. Not attempt to conceal evidence of the Protected Disclosure;
- e. Take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure made/to be made;
- f. Provide an opportunity of being heard to the persons involved especially to the Subject; and
- g. In cases where the Subject is aware of the identity of the Whistle Blower, the performance appraisal of such Whistle Blower shall not be undertaken by the Subject

Decision and Reporting

- a. In case prima facie case exists against the suspect, then Chief Financial Officer shall forward the said report with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons in writing. Copy of above decision shall be addressed to the Vigilance Officer, the complainant and the suspect.
- b. In case the suspect is a Vigilance officer of the Company, the Complaint / Grievance shall be addressed to the Managing director who, after examining such complaint shall forward the matter to the Board of Directors. The Board of Directors after providing an opportunity to the suspect to explain his position and after completion of investigation shall submit a report along with its recommendation to the concerned disciplinary authority for further appropriate action in this regard or shall close the matter, for which he shall record the reasons. Copy of the above decision shall be addressed to the Vigilance Officer and the complainant.
- c. In case the suspect is any Director of the Company, the Vigilance officer after examining the complaint shall forward the same to the Managing Director and if deemed fit the Managing Director shall appropriately and expeditiously investigate such complaint.
- d. A complainant who makes false allegations of unethical and improper practices or about wrongful conduct of the suspect to the Vigilance officer shall be subject to appropriate disciplinary action in accordance with the rules of the Company.
- e. If the alleged fraud or misconduct is proven after investigation, the Vigilance Officer may impose such penalty / fine as it may deem fit depending upon nature of fraud or unethical act done by the person.

Rights of Subjects

- a) Unless there are compelling reasons not to do so, Subjects will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- b) Subjects shall have a duty to co-operate with the Committee/the Board during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- c) Subjects shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.
- d) Subjects shall 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.
- e) Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

Decision

If an investigation leads the Disciplinary Committee to conclude that an improper or unethical act has been committed, the Disciplinary Committee shall recommend to the Management of the Company to take such disciplinary or corrective action as the Disciplinary Committee deems fit.

Reporting

The Disciplinary Committee shall submit a report to the Board on a quarterly basis regarding all investigations referred since the last report submitted together with the results of investigations, if any. All such reports and records shall be considered confidential information and access shall be restricted on need to know basis and shall not be disclosed to the public except as required by any legal requirements or regulations or by any Company policy in place at that time.

Review

This Policy may be amended, modified or supplemented from time to time to ensure compliance with any modification, amendment or supplementation to any notifications and directions issued by the relevant Act or under any other law applicable, from time to time. The Policy shall be reviewed by the Board of Directors of Company annually or

whenever there is a significant change in the relevant laws or regulations governing the subject matter of this Policy.