

# Rungta Irrigation Limited



**An ISO 9001:2008 Certified Company**

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

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## **PURPOSE:**

Rungta Irrigation Limited is committed to create and adhere to a culture of conscience and transparency by setting exemplary standards of ethical behavior and professional integrity. The Company has a detailed “Code of Conduct and Ethics” that directs its directors and employees to uphold the Company values and urges them to conduct business within the accepted norms of propriety and responsibility. The Company intends to prevent the occurrence of any practice not in compliance with the Code thus establishing a Vigil Mechanism enabling Directors and Employees to report their genuine concerns or grievances through this *Whistle Blower Policy*. This Policy will also enable the other Stakeholders to freely communicate their concerns about illegal or unethical practices.

The Whistle Blower Policy will also be in compliance of Section 177 of the Companies Act, 2013 and Rules framed thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

Through this Policy, the Directors and Employees are not only encouraged but required to report their genuine concerns and grievances including those related to unethical behavior, actual or suspected fraud, and violation of the Code or leak of Unpublished Price Sensitive Information.

This Whistle Blower Policy and Code are available on the Company’s corporate website [www.rungtairrigation.com](http://www.rungtairrigation.com).

## **DEFINITIONS:**

In this Policy, unless the context otherwise requires:-

“**Audit Committee**” means the Audit Committee constituted by the Board of Directors of the Company under the Companies Act, 2013 (including the Rules framed thereunder) and the Listing Regulations;

“**Code**” means the “Code of Conduct and Ethics” of the Company;

“**Company**” or “**Organization**” means Rungta Irrigation Limited;

“**Director**” means a member of the Board of Directors of the Company;

“**Disciplinary Action**” means any action that can be taken on the completion of or during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any other action as is deemed to be fit, considering the gravity of the matter;

“**Employee**” means every person on permanent or temporary rolls of the Company at its various business locations including contract workers;

“**Infringing Actions**” shall have the meaning ascribed to such term under Clause 5 hereof;

“**Investigator**” means one or more persons authorized or appointed by Chairman of Audit Committee, to assist in the investigation of the Protected Disclosure and submit his/her/their findings to Chairman of Audit Committee, as the case may be;

“**Key Managerial Personnel**” means the person(s) appointed as such in pursuance of Section 203 of the Companies Act, 2013 read with Section 2(51) of the Companies Act, 2013;

“**Policy**” means this Whistle Blower Policy;

“**Protected Disclosure**” means any communication made in good faith by a Director or Employee that discloses or demonstrates information that may indicate evidence towards genuine concern(s) or grievance(s) including those related to unethical behaviour, actual or suspected fraud, violation of the Code or leak of Unpublished Price Sensitive Information and any communication made by any other Stakeholder about illegal or unethical practices;

“**Protected Disclosure Form**” is the form attached with this Policy by which a Whistle Blower makes submission to the Company under this Policy and is available at the Company's corporate website;

**“Stakeholders”** means:

- a). Employees of the Company;
- b). Employees of other agencies deployed for the Company’s activities, whether working from any of the Company’s offices or any other location;
- c). Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Company;
- d). Investors and shareholders of the Company; and
- e). Customers and business partners of the Company;

**“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 under this Policy;

**“Unpublished Price Sensitive Information”** means any information, relating to the 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 of the Company 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, delisting, disposals and expansion of business and such other transactions; and
- v) Changes in Key Managerial Personnel; and

**“Whistle Blower”** means a Director, Employee or any other Stakeholder making a Protected Disclosure under this Policy.

#### **SCOPE:**

- a). The Company intends to re-enforce implementation of the Code through this Policy. The Policy will help the Stakeholders particularly Directors and Employees to make a Protected Disclosure.
- b). Protected Disclosure will be appropriately dealt with by the Chairman of the Audit Committee.
- c). The Company provides necessary safeguards to all Whistle Blowers for making Protected Disclosures in good faith, in all the areas mentioned in this Policy.
- d). The Whistle Blower’s role is to make Protected Disclosure. 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. Whistle Blower does not have to obtain evidence in order to support their information. Their role is to ‘raise the concern’.
- e). Whistle Blower should not act on his/her own in conducting any investigative activities, nor does he/she has a right to participate in any investigative activities other than as requested by the chairman of the Audit Committee or the Investigator.

#### **ELIGIBILITY:**

The Directors, Employees and other Stakeholders are eligible to make Protected Disclosures under the Policy.

#### **INDICATIONS TO RAISE A CONCERN:**

A matter can be considered serious enough for a concern to be raised if it involves any one or more of the following (**“Infringing Actions”**):

- a). Abuse of authority.
- b). Breach of contract.
- c). Manipulation of company data/records.

- d). Financial irregularities, including fraud or suspected fraud
- e). Criminal offence
- f). Un-authorized disclosure or misuse of confidential/proprietary information
- g). Deliberate violation of law/regulation
- h). Wastage/misappropriation of company funds/assets
- i). Negligence causing substantial and specific danger to public health and safety
- j). Failure to implement or comply with any approved Company policy
- k). Unethical behavior or illegal or unethical practices.
  - l). Leak of Unpublished Price Sensitive Information
- m). Any other violation/possible violation of the Code

#### **EXCEPTIONS:**

- a). Any complaint or submission made under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 will be out of scope of this Policy and all such matters should be directed for submission to the concerned Internal Compliant Committee of the Company formed for this purpose.
- b). Any matter related to interpersonal issues, service conditions, organizational policies, terms and conditions of employment, etc. should be reported through the existing organizational channels addressing such concerns.

#### **DISQUALIFICATIONS:**

The following instances would constitute a violation of this Whistle Blower Policy:-

- a). Bringing to light personal matters regarding another person, which are in no way connected to the Organization.
- b). Reporting information which, he/ she does not have an authorization to access.
- c). While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as hereinafter mentioned, any abuse of this protection will warrant disciplinary action and would be taken up with utmost sternness.
- d). Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala-fide intention.
- e). In case a Whistle Blower makes repeated Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, the Audit Committee may take suitable action against such Whistle Blower including reprimand.
- f). Actions against such violations could range in their severity, if necessary even extending up to termination of one's employment / contract/ association with the Organization.

#### **GUIDELINES:**

##### **The Company**

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

- (i) not attempt to conceal evidence of the Protected Disclosure;
- (ii) take disciplinary action, if anyone destroys or conceals evidence of the Protected Disclosure; and
- (iii) provide an opportunity of being heard to the persons involved, especially to the Subject.

##### **Whistle Blower**

- a). The Whistle Blower must provide all factual corroborating evidence, as is available and to the extent possible, to enable commencement of an investigation at the earliest, preferably within 30 days of the irregularity or breach noticed by him/her. This is to be provided in a standard format namely, the Protected Disclosure Form. The information provided should be on the basis of a direct first-hand experience of the Whistle Blower. It should not be based on any secondary, unreliable source such as grapevine or any other form of informal communication.
- b). Whistle Blowers are not to act on their own in conducting any investigation.

### **Identity**

- a). The Protected Disclosure should be forwarded under a covering letter, which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee, shall detach the covering letter and forward only the Protected Disclosure to the Investigator(s).
- b). The Whistle Blower may also choose to be anonymous. However, it may sometimes be difficult or even impossible to thoroughly investigate the Protected Disclosures that are made anonymously. The Whistle Blower is, therefore, strongly encouraged to share his/ her identity when making the Protected Disclosure.
- c). In case of anonymous Protected Disclosure, the Chairman of the Audit Committee, shall, at his/ her end, examine the possible intentions and genuineness of the Protected Disclosure in advance before going ahead with the investigation.

### **Confidentiality**

- a). All concerns and issues raised under this Policy shall be treated in a confidential manner except to the extent necessary to conduct a complete, fair and effective investigation.
- b). Similarly, the identities of the Whistle Blower, Subject and the documents related to Protected Disclosure and investigation thereof shall be treated with confidentiality at all times and shall only be disclosed to the investigating team for facilitation of proper investigation, if required.

### **Protection to Whistle Blower**

- a). No unfair treatment shall be exhibited towards the Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy and the Company shall ensure that full protection has been granted to him/her, against:
  - (i) Unfair employment practices like retaliation, threat or intimidation of termination, suspension of services or contracts, etc.
  - (ii) Direct or indirect abuse of authority to obstruct the Whistle Blower's right to continue performance of his/ her duties/functions during routine daily operations, including making further Protected Disclosures under this Policy.
- b). The Whistle Blower may also report any violation of the above clause to the Chairman of Audit Committee, who may direct an investigation into the same and decide suitable disciplinary action against the concerned party.

### **Subject**

- a). All Subjects shall be duly informed about the Protected Disclosures made against them normally at the commencement of the formal investigation process and shall have regular opportunities for providing explanation during the course of the investigation process.
- b). No Subject shall directly/indirectly interfere with the investigation process, till the completion of the investigation.
- c). The Subject shall not destroy or tamper with any evidence, and shall have a duty to co-operate with the Chairman of Audit Committee and Investigator involved in the inquiry till the investigation process is completed.

- d). During the course of the investigation, all Subjects shall have a right to consult any person of their choice at their own cost, other than the Investigators and/or the Chairman of Audit Committee.
- e). All Subjects shall have a right to be informed about the results of the investigation process in writing after the completion of the inquiry. They will be given an opportunity to respond to the inquiry results, as contained in the investigation report.
- f). The Audit Committee shall have the final discretion on whether public disclosure of investigation results is necessary and if yes, then on the scope and medium of such disclosure.

#### **Responsibilities of Audit Committee:**

- a). The Audit Committee is duly authorized to receive/oversee any Protected Disclosures reported under this Policy. He is responsible for ensuring appropriate action.
- b). The Audit Committee can also appoint an external agency to represent his Office to receive any Protected Disclosures under the Policy.
- c). The Chairman of the Audit Committee may consider involving any Investigator for the purpose of conducting the investigation. However, the investigation shall be launched only after the review of Protected Disclosure by the Chairman of the Audit Committee, which establishes that:
  - (i) The Protected Disclosure constitutes genuine concern(s) or grievance(s) including those related to unethical behavior, actual or suspected fraud, violation of the Code, illegal or unethical practices or leak of Unpublished Price Sensitive Information.
  - (ii) The Protected Disclosure is supported by adequate information to support an investigation.
  - (iii) In case of anonymous disclosure, the Chairman of Audit Committee, shall, at his end, examine the possible intentions and genuineness of the disclosure in advance before going ahead with the investigation. In case the Chairman of Audit Committee, suspects that the allegation has been made with mala-fide intentions or is frivolous in nature, or is not genuine, he can decide to drop the case. All such cases should be reported to the Audit Committee in its next meeting.

#### **Investigators**

- a). The Investigator shall conduct the inquiry in a fair and unbiased manner.
- b). The Investigator shall ensure complete fact-finding.
- c). The Investigator shall maintain strict confidentiality at all times.
- d). The Investigator shall derive the outcome of the inquiry and recommend appropriate course of action.

#### **PROCEDURE:**

##### **How to Report**

Protected Disclosures concerning:

- i) the employees at the levels of Vice Presidents and above should be addressed to the Chairman of the Audit Committee of the Company; and
- ii) Other Employees and Stakeholders should be addressed to the Chairman of Audit Committee.

The concerns can be emailed or posted to the Chairman of Audit Committee as mentioned above in the Protected Disclosure Format, at the below mentioned address:

Mr. S.K. Poddar  
Chairman, Audit Committee of Rungta Irrigation Limited (Whistle Blower Policy)  
Address:- R/3c, Belair Apartment , Near Mahabir Tower, Main Road Ranchi-834001  
E-mail:-

The envelope containing Protected Disclosure should be marked as “**Strictly Confidential – To be opened by the addressee only.**”

Whistle Blower can be provided direct access to the Chairman of the Audit Committee in appropriate or exceptional cases on working days between 1000 hours and 1800 hours. The Chairman of the Audit Committee can be contacted on working days between 1000 hours and 1800 hours.

Whistle Blower must provide the background, history and reason for the complaint or concern, together with names, dates, places and as much information as possible. For the purpose of proper & fair investigation, all necessary details shall be captured by the Whistle Blower in a standard format namely, the Protected Disclosure Form attached herewith.

In case of anonymous disclosure, Whistle Blower can choose to leave the personal details on the Protected Disclosure Form blank.

Whistle Blowers are encouraged to make Protected Disclosure at the earliest possible preferably within 30 calendar days of the irregularity or breach noticed by him/her, so that timely action can be taken.

### **Investigation**

- a). All complaints received under this Policy will be reviewed by the Chairman of the Audit Committee. If initial enquiry by the Chairman of the Audit Committee indicates that concern or grievance has no basis or it is not a matter to be investigated under this Policy, it may be dismissed at this stage and the decision should be documented. All such cases should be reported to the Audit Committee in its next meeting.
- b). Where initial enquiry indicates that further investigation is necessary, the Chairman of the Audit Committee will consider it to further investigation. In case a complaint is received directly by the Chairman of the Audit Committee under clause 9.1.1(i) hereof or through the Chairman may refer it for further investigation.
- c). The Chairman of the Audit Committee may appoint Investigator for investigating the complaints received under this policy and such Investigator shall submit his / her/ their report to the Chairman of the Audit Committee.
- d). The type of investigation will depend upon the nature of the Protected Disclosure.  
The matters raised may be:
  - i) Investigated internally
  - ii) Referred to an external investigator
- e). The investigation is to be treated as a neutral fact-finding process.
- f). The outcome of the investigation may or may not support the conclusion of the Whistle Blower that an Infringing Action was committed.
- g). The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure and any delay beyond 45 day will be justified in the investigation report.



### **Documentation & Reporting**

The Chairman of the Audit Committee, will make a detailed written record of the Protected Disclosure. The record will include:

- a) Facts of the matter
- b) Whether the same Protected Disclosure has been raised previously, and if so, the outcome thereof.
- c) Whether the same Protected Disclosure has been raised previously against the same Subject.
- d) The financial/other loss incurred / would have been incurred by the Company.
- e) Findings of the investigation.
- f) Recommendations on disciplinary/other action(s).
- g) The timeline for final decision of investigation.

### **Decision**

If an investigation leads the Audit Committee to conclude that one or more Infringing Actions has been committed, the Audit Committee shall decide such disciplinary/corrective actions as the Committee may deem fit. Any disciplinary/corrective action initiated against the Subject as a result of the findings of an investigation shall be in accordance with the applicable personnel conduct and disciplinary procedures / policies of the Company.

### **Reporting and Retention of Documents**

The Audit Committee shall submit a report to the Board of the Company on a regular basis about all Protected Disclosures referred to them together with the results of the investigation, if any.

The related documents need to be preserved for minimum of five years from the date of final reporting.

### **AMENDMENT:**

The Policy be hosted on the Company website. This Policy can be amended, modified or revised from time to time by the Company.

# PROTECTED DISCLOSURE FORM

Do you wish to disclose your identity?

Yes

No

(Note: In case of anonymous disclosure, leave this section of Protected Disclosure Form blank.)

Name of the Whistle Blower : \_\_\_\_\_

Relationship with the Company: \_\_\_\_\_

Location : \_\_\_\_\_

Contact Number : \_\_\_\_\_

Address : \_\_\_\_\_

E-mail

Employee/ vendor/  
customer/ Consultant/  
Contractor/ Shareholder  
/ Other (Please specify)

I hereby declare that the accompanying statement and supporting documents (if any) are true and correct to the best of my knowledge and belief.

Signature : \_\_\_\_\_ Date

: \_\_\_\_\_

Name of the Investigation Subject: \_\_\_\_\_

Designation : \_\_\_\_\_

Department/ Division : \_\_\_\_\_

Location : \_\_\_\_\_

In case of multiple subjects:

Name of the 2<sup>nd</sup> Investigation Subject: \_\_\_\_\_

Designation : \_\_\_\_\_

Department/ Division : \_\_\_\_\_

Location : \_\_\_\_\_

Please specify the  
location/ department to  
which the disclosure  
pertains

(If the space is provided is not sufficient, please attach a separate sheet)

Please provide the following information in detail:

- a) Disclosure (Nature of violation/ Complaint).
- b) Sequence of events (Please provide Date/ Time/ Place).
- c) Evidentiary Details (Particulars and location of evidence, if any, to support your disclosure/ complaint).
- d) For how long has this situation been in existence?
- e) When did you become aware of this situation and how?
- f) Did you bring these details to the notice of anyone in the Organization? If yes, please give details.
- g) Source of Information.
- h) Role of the Subject(s).
- i) Any other information that you may like to provide.

List of Attachments:

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_