

R.R. Industrial Corporation (India) LIMITED

WHISTLE BLOWER MECHANISM (VIGIL MECHANISM)

The Company is operating as a diverse, multi division / multi location entity. It adopts accounting policies and practices in accordance with the applicable accounting standards to present a true and fair view of operations and financial position of the Company. Selection of accounting practices requires interpretation and exercise of judgment, which may give rise to differing opinions. Employees/Directors are free to raise issues if any, which they may have on accounting treatment adopted by the Company. Likewise, with various operations taking place at distant places, the top Management may like to get a feedback on the state of affairs down the operations levels. It is proposed to introduce, as a part of promoting a conducive and ethical working environment, a Whistle Blower Mechanism (Vigil Mechanism) in the Company. Under this, any of the employees/directors of the Company can freely and fearlessly bring before the Audit Committee his views in respect of accounting policies and practices, make complaints / indicate their concern about unethical or undesirable behavior or practices, actual or suspected fraud taking place in the Company or violation of the Company's code of conduct or ethic's policy and seek redressal. The Mechanism provides for protection to the employees/directors against a possible penalty or harassment or victimization at the hands of their superiors. For the purposes of effective implementation of the Mechanism, the following guidelines are being issued:

1. Any employee/director of the Company who notices or has a knowledge of any undesirable, unethical or improper conduct / practice by another employee or any other person within the Company, with respect to any

- a. Breach of Professional Code of Conduct or Company's Code of Conduct or ethic's policy,
- b. Actual or suspected Fraud or Corruption,
- c. Abuse of position or Trust,
- d. Violation of applicable statutes,
- e. Acts causing or leading to in any evident manner any loss / damage to the Company and its repute, or has a different view on the accounting treatment or procedures adopted by the Company,

shall be free to approach the Audit Committee and seek redressal in the matter.

2. The employee/director shall on being required in that behalf, produce substantial evidence in support of his complaint / concern.

3. It is advisable to report the matter / concern to immediate supervisor or manager unless the employee feels that immediate supervisor or manager himself is a part of the problem.

4. The employee may or may not inform to his superiors of his intentions to report such practices or acts to the Audit Committee.

5. The Audit Committee may examine the matter placed before it and make such investigations and inquiries from the concerned employee/director and other persons as it may deem fit.

6. If any of the members of the Audit Committee has conflict of interest in a given case brought before the Committee, he should recuse himself from the matter.

7. Equal opportunity of being heard would be granted to the complainant and the accused (if any). The Audit Committee shall endeavor to redress and resolve the matter / complaint as close to its source as possible.

8. It is hereby declared that the matter brought before the Audit Committee will be treated in confidence. An employee/director reporting the matter / raising concern in good faith is assured of protection (and anonymity, if he so chooses). This would not have any impact on the Employee's performance appraisal, assignment of work or other matters related to employment with the Company.

9. The introduction of this mechanism shall be communicated to all the employees/directors of the Company through internal circulars.

10. The Company shall annually affirm that it has not denied access to any employee to the Audit Committee of the Company for the purpose reporting the matters as above said, and that it has provided protection to them from penalties and or other unfair vindictive practices.

11. Any person taking recourse of the vigil mechanism, if suspects or faces any victimization thereafter, he may directly approach the Chairman of the Audit Committee against that.

12. The Mechanism is not a medium for raising any unwarranted and personal issues and only genuine concerns shall be brought through this mechanism before the Audit Committee for redressal. Therefore, it is declared that where the employee is found to have made any false or frivolous complaint or a complaint to avenge his / her personal enmity with the accused, the concerned employee shall be liable to disciplinary action.
