



R SYSTEMS INTERNATIONAL LIMITED

WHISTLE BLOWER POLICY

1. OBJECTIVE

This policy is formulated to provide mechanism to employees to approach the Audit Committee of the Company or any member of the Audit Committee and disclose unethical and improper practices or any other alleged wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse action against those employees.

2. APPLICABILITY

This policy applies to all permanent employees of the Company and its subsidiaries

3. SCOPE OF POLICY

The policy intends to cover following information on suspected unethical and improper practices or wrongful conduct, which employees in good faith believe to exist:

- a. Manipulation of Company data / records
- b. A substantial and specific danger to public health and safety
- c. An abuse of authority
- d. Leaking confidential or proprietary information
- e. Violation of any law or regulations
- f. Gross wastage or misappropriation of company funds/assets
- g. Activities violating policies including Code of Ethics and Conduct

The above list is only illustrative and should not be considered as exhaustive.

4. PROCEDURES

- a. The Chairman of the Audit Committee may constitute a committee consisting of members of the Board of Directors or independent third party experts (The Whistle Blower Committee), as the case may be, which shall be entrusted with various functions under this Policy including receipt of disclosures and investigation of matters.

- b. Any employee who observes any unethical and improper practices or alleged wrongful conduct shall make a disclosure to the Audit Committee or a member of the Audit Committee in writing as soon as possible but not later than 60 consecutive calendar days after becoming aware of the same and shall furnish as much details and evidence as possible.
- c. The Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received and assign further investigation into the complaint to a Whistle Blower Committee.
- d. The Whistle Blower Committee shall have right to call for any information / document and examination of any employee of the Company or other person(s) as they may deem appropriate for the purpose of conducting investigation under this policy.
- e. After completion of investigation, a report shall be prepared by Whistle Blower Committee and be placed before the Audit Committee for its consideration.
- f. After considering the report, the Audit Committee shall determine the cause of action and may order for remedies which may inter alia include:
 - i. Revision of the policies and procedures of the Company to reduce the risk of reoccurrence
 - ii. Suggest action against concerned persons

5. PROTECTION

- a. No discrimination, harassment, victimization or any other unfair employment practice like retaliation, threat or intimidation of termination /suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like will be adopted against Whistle Blowers.
- b. 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 which may inter alia include:
 - i. Reinstatement of the employee to the same position or to an equivalent position;
 - ii. Order for compensation for lost wages, remuneration or any other benefits etc.

6. ANONYMOUS ALLEGATIONS

This policy requires individuals to put their name to any disclosures they make.

7. CONFIDENTIALITY

The Company will treat all such disclosures in a sensitive manner and will endeavor to keep the identity of an individual making an allegation confidential. However, the investigation process may inevitably reveal the source of the information and the individual making the disclosure may need to provide a statement which cannot be kept confidential if legal proceedings arise.

8. UNTRUE /MALICIOUS / VEXATIOUS ALLEGATIONS

If an individual makes an allegation, which is not confirmed by subsequent investigation and the investigation shows that an individual has made malicious or vexatious allegations for personal leverage, and particularly if he or she persists with making them, disciplinary action may be taken against the individual concerned.

9. NOTIFICATION

All departmental heads are required to notify and communicate the existence and contents of this policy to the employees of their department. The new employees shall be informed about the policy by the HR department and statement in this regard should be periodically submitted to the Compliance Officer of the Company i.e. the Company Secretary for placing before the Audit Committee.

10. RETENTION OF DOCUMENTS

All protected disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 3 years.

11. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the employees unless the same is notified to the employees in writing.

12. REPORTING

Any unethical and improper practices or alleged wrongful conduct may be directly reported to the Chairman of the Audit Committee at rkgogia@india.rsystems.com.