

REGENCY CERAMICS LIMITED

VIGIL MECHANISM / WHISTLE BLOWER POLICY

1. PREFACE

Regency Ceramics Limited (“**the Company**”) is committed to conduct its business in accordance with applicable laws, rules and regulations, high standards of ethics, integrity, openness, probity and accountability.

Pursuant to Section 177 (9) of the Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactments thereof for the time being in force) mandates every listed company and such class or classes of companies, as may be prescribed to establish a Vigil Mechanism/Whistle Blower Policy for the directors, employees and all the other individuals associated with the Company to report genuine concerns in such manner as may be prescribed.

It aims to provide an environment where every person feels free, safe and secure to report incidents or issues related to retaliation, victimization, discrimination or disadvantage at workplace.

2. OBJECTIVES OF THE POLICY

This Whistle Blower Policy (“**the Policy**”) has been formulated with a view:

- i. To provide a mechanism for its directors and employees to report genuine concerns of unethical behavior, actual or suspected fraud and to raise concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc;
- ii. To provide adequate protection of directors and employees from reprisals or victimization;
- iii. To prohibit managerial personnel from taking any adverse action against those directors or employees as a result of disclosure of alleged wrongful conduct.
- iv. To provide direct access to the Chairperson of the Audit Committee

The policy neither releases directors and employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and/or colleagues in general.

3. DEFINITIONS

“**Alleged wrongful conduct**” shall mean violation of law, infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.

“**Audit Committee**” means a Committee constituted by the Board of Directors of the Company pursuant to the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

“Board” means the Board of Directors of the Company.

“Company” means Regency Ceramics Limited and all its offices.

“Code” means Code of Conduct for Directors and Senior Management Executives adopted by Regency Ceramics Limited.

“Complainant/Whistle Blower” means a director or employee making a Protected Disclosure under this Policy.

“Director” means a person appointed as director to the Board of the Company.

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

“Employee” means all the present employees and Whole-Time Directors of the Company (whether working in India or abroad).

“Frivolous Compliant” means any compliant which is registered or attempted to be registered under this policy with no evidence or on hearsay basis or with malafide intentions against the Subject, arising out of false or bogus allegations.

“Good Faith” An employee shall be deemed to be communicating in “good faith” if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

“Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity or actual or suspected incidents of fraud. Protected Disclosures should be factual and not speculative in nature.

“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.

“Vigilance/Whistle Officer” means an officer including compliance officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

4. SCOPE

The role of Whistle Blower is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blower provides initial information related to a reasonable belief that an improper or unethical practice has occurred.

The Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Whistle Officer/Audit Committee/Investigator.

The policy sets out procedure to be followed when making a Protected Disclosure.

5.ELIGIBILITY

All directors and employees of the Company are eligible to make Protected Disclosures under the Policy.

6. MANNER IN WHICH COMPLAINT CAN BE RAISED

- All Protected Disclosures should be reported in writing via E-mail Id on rlcosec@gmail.com or letter to the Whistle Officer/Chairperson of the Audit Committee (in exceptional cases) by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised.
- The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **“Protected disclosure under the Whistle Blower policy”**. Alternatively, the same can also be sent through E-mail with the subject **“Protected disclosure under the Whistle Blower policy”**. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure.
- In order to protect identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainant and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer. The Vigilance Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer.
- The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance / Chairperson of the Audit Committee as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

7. INVESTIGATION

- On receipt of the protected disclosure, the Vigilance Officer/Chairperson of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.

- All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other officer of the Company and/ or an outside agency for the purpose of investigation.
- The investigation is neutral and the report shall contain facts, evidences and context of the investigation.
- A decision is made by the appropriate authority on the action to be taken on basis of the findings of the investigation.
- The Complainant raising the concern must provide sufficient and relevant information to start the investigation. In case, the complainant is not responding for more than 15 days, the concern may be closed without any further action.
- The Company will keep the Complainant informed on the status/completion of the inquiry process.
- All discussions and information shared with the Whistle Officer under this process shall be kept confidential by the individuals associated. Breach of this will result in disciplinary action against the individual, which may also lead to termination.
- On submission of the report, the Chairman of the Audit Committee shall discuss the matter with the Whistle Officer who shall either-
 - In case the Protected Disclosure is proved, accept the findings of the Whistle Officer and make recommendations to the management to take such Disciplinary Action as he may think fit and take preventive measures to avoid re-occurrence of the matter;
 - In case the Protected Disclosure is not proved, extinguish the matter; or
 - Depending upon the seriousness of the matter, Chairman of the Audit Committee may refer the Board of Directors with proposed disciplinary action/counter measures. The Board of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal.

Before any Disciplinary Action is taken an opportunity of being heard to the persons involved especially to the Subject shall be given.

8. PROTECTION OF WHISTLE BLOWERS

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

- a. Ensure if a Whistle Blower does provide his or her name while making a Protected Disclosure, the identity of the Whistle Blower will be treated as confidential to the extent possible and permitted under law.
- b. Condemn any kind of discrimination, harassment, victimization or any other unfair

employment practice being adopted against Whistle Blower.

- c. Ensure complete protection be given to Whistle Blower against any unfair practice.
- d. Ensure that any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extend as the Whistle Blower.

9. COMMUNICATION

A whistle Blower policy cannot be effective unless it is properly communicated to directors/employees. It shall be informed through a publication on notice board and the website of the company.

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 period of 7(seven) years or such other period as specified by any other law in force, whichever is more.

11. AMENDEMNT

The Board is entitled to amend, modify, suspend or rescind this policy at any time without assigning any reason, whatsoever.

Whilst, the Board has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy.

The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.

