

ROYAL SENSE LIMITED

WHISTLE BLOWER POLICY/VIGIL MECHANISM

1. PURPOSE

The policy is formulated to provide an opportunity to employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct. It is to provide necessary safeguards for protection of employees from reprisals or victimization.

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time and Companies Act, 2013 prescribes that all listed companies should have a whistle blower policy/Vigil mechanism to enable employees (including Directors) to report genuine concerns and instances of leak of unpublished price sensitive information.

2. SCOPE

All the employees of the Royal Sense Limited ('the Company').

3. POLICY

The Whistleblower policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

4. DEFINITIONS

"Disciplinary Action" means any action that can be taken on the completion of /during the investigation proceedings including but not limiting 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 every employee of the Company (whether working in India or abroad).

"Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may be evidence of unethical or improper activity including leak of unpublished price sensitive information. Protected Disclosures should be factual and not to be 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.

"Whistleblower" is someone who makes a Protected Disclosure under this Policy.

~~**"Whistle Committee"** or **"Committee"** means a Committee of persons who are nominated/~~

appointed to conduct detailed investigation of the disclosure received from the whistleblower and recommend disciplinary action. Currently, the CFO and CIO are nominated as members of Whistle Committee.

“**Company**” means, “Royal Sense Limited.”

“**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.

“**Policy or This Policy**” means, “Whistleblower Policy.”

“**Unethical and Improper Practices**” means:

- Criminal offences;
- Breaches of legal obligations (including negligence, breach of contract, breach of administrative law);
- Health and safety;
- Damage to the environment;
- Suspected Fraud.

5. **INTERPRETATION**

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

6. **GUIDELINES**

(a) **Internal Policy & Protection under Policy**

This Policy is an internal policy on disclosure by employees of any unethical and improper practices or wrongful conduct and access to the Head of Department or in case it involves Senior Managerial Personnel access to the “**Whistle Committee**” and in exceptional cases access to Audit Committee of Directors constituted by the Board.

This Policy prohibits the Company to take any adverse personnel action against its employees for disclosing in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or to the “**Whistle Committee**” or to the Audit Committee. Any employee against whom any adverse

personnel action has been taken due to his disclosure of information under this policy may approach the Audit Committee.

(b) False Allegation & Legitimate Employment Action

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

(c) Disclosure & Maintenance of Confidentiality

An employee who observes or notices any unethical & improper practices or alleged wrongful conduct in the Company may report the same to the Head of Department or in case it involves Managerial Personnel to the Managing Director and in exceptional cases to Audit Committee through e-mail Confidentiality of whistle blower shall be maintained to the greatest extent possible.

(d) Leak or suspected leak of the Unpublished Price Sensitive Information

- In case any Unpublished Price Sensitive Information is shared or leaked by any person in contravention of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Insider Trading Regulations) and the code of conduct to regulate, monitor and report trading by Insiders (“Code”), such instances may be reported by sending an e-mail to the Compliance Officer. Upon receipt of complaint relating to such leakage/suspected leakage of Unpublished Price Sensitive Information, the same would be investigated in accordance with the procedure as detailed in the “Policy for procedure of inquiry in case of leak of unpublished price sensitive information (“UPSI)”.
- It is the duty of all concerned to notify the Company if they observe, or learn of, any unethical business conduct or illegal acts including leak or suspected leak of the Unpublished Price Sensitive Information. Trading in the shares of the Company whilst in possession of any Unpublished Price Sensitive Information, except in cases permitted by law, is an offence under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

7. PROCEDURES

- Any employee who observes any unethical & improper practices or alleged wrongful conduct shall make a disclosure to the Head of Department or in case it involves Managerial Personnel to the “**Whistle Committee**” and in exceptional cases to the Audit Committee as soon as possible but not later than 45 consecutive calendar days after becoming aware of the same.
- The Departmental Head/ Managing Director in case the whistle blower is Sr. Management cadre Employee, shall immediately forward Whistle Blower Report to the Whistle Committee of the Company. The Whistle Committee may inquire in respect of the Whistle Blower Report and after preliminary inquiry, if required, shall report the same to the Audit Committee.
- Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, Audit Committee, if the circumstances so suggest, may appoint a senior executive or a committee of managerial personnel to investigate into the matter and prescribe the scope and time limit therefore.
- Audit Committee shall have right to outline detailed procedure for an investigation.
- Where the Audit Committee has designated a senior executive or a committee of managerial personnel for investigation, they shall mandatorily adhere to scope and procedure outlined by Audit Committee for investigation.
- The Audit Committee or officer or committee of managerial personnel, as the case may be, 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.
- A report shall be prepared after completion of investigation and the Audit Committee shall consider the same.
- After considering the report, the Audit Committee shall determine the cause of alleged Adverse Personnel action and may order for remedies which may inter-alia include :
 - Order for an injunction to restrain continuous violation of this policy;
 - Reinstatement of the employee to the same position or to an equivalent position;

- Order for compensation for lost wages, remuneration or any other benefits, etc.
- The decision of Audit Committee shall be final and binding.
- If and when the Audit Committee is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then the Audit Committee may –
 - Recommend to Board to reprimand, take disciplinary action, and impose penalty / punishment order recovery when any alleged unethical & improper practice or wrongful conduct of any employee is proved.
 - Recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct

8. NOTIFICATION

All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. The new employees shall be informed about the policy by departmental heads/HR department.

The company is entitled to amend, suspend this policy at any time. The same shall be made available at website of the Company at www.royalsense.in.

The Board of Directors of the Company, subject to applicable laws, rules & Regulations, may amend/substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

9. ANNUAL AFFIRMATION

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action.
