

**RAHMAN INDUSTRIES LIMITED**  
**VIGIL MECHANISM**

**1. PREAMBLE**

**RAHMAN INDUSTRIES LIMITED**, is an Unlisted Public Company incorporated under the Companies Act, 1956 (now companies Act, 2013) proposes to establish a Vigil Mechanism.

**2. INTRODUCTION**

Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 requires every Listed Companies and such Class or Classes of Companies which accept deposits from the public or Companies which have borrowed money from Banks and Public Financial Institutions in excess of fifty Crore rupees shall establish a vigil mechanism for their Directors and Employees to report their genuine concerns or grievances.

In compliance of the above requirements i.e. company has borrowed money from Banks and Public Financial Institutions in excess of Fifty Crore rupees, **Rahman Industries Limited**, being an Unlisted Public Company proposes to establish a Vigil Mechanism and formulated a policy for the same.

**3. POLICY OBJECTIVES:**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil Mechanism provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud. Under this policy employees can also give their suggestion to Company about betterment of Management and Development As a result, they feel empowered and assume more ownership of their work.

**4. SCOPE OF THE POLICY:**

This Policy covers malpractices and events which have taken place/suspected to have taken place, misuse or abuse of authority , fraud or suspected fraud , violation of Company rules , manipulations , negligence causing danger to public health and safety , misappropriation of money and other matters or activity on account of which the interest of the Company is affected and formally reported .

**5. DEFINITIONS**

**5.1 "Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013.

**5.2 "Employee"** means all the present Employees and Whole Time Directors of the Company.

**5.3 "Protected Disclosure"** means a concern rose by an employee or group of employees of the Company through a written communication and made in good faith which discloses or

demonstrates information about an unethical or improper activity. It should be factual and not speculative in nature.

**5.4 "Code"** mean Conduct for Directors and Senior Management Personnel adopted by, **Rahman Industries Limited.**"**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.

**5.5 "Whistle Blower"** or "**Complainant** "means an employee or group of employees who make a Protected Disclosure under this Policy.

**5.6 "Company"** means, Rahman Industries Limited and all its offices.

**5.7 "Board"** means the Board of Directors of the Company.

## **6. ELIGIBILITY:**

All the Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

## **7. PROCEDURE**

**7.1** All Protected Disclosures should be reported in writing 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 and should either be typed or written in a legible handwriting in English or Hindi.

**7.2** All complaints and suggestions by the employees should be kept in the box and such box will be opened on quarterly basis. Such complaints and suggestions will be placed in the meeting.

**7.3** The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as "Protected disclosure under the Vigil Mechanism Policy or sent through E-mail with the subject "Protected disclosure under the Vigil Mechanism Policy".

**7.4** All protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in the absence of Vigilance Officer.

The contact details of the Vigilance officer are as under:-

<b>Name</b>	Mr. Ashish Gupta
<b>E-mail</b>	ashish@rahman-group.com

In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants and they are not advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer. On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

**7.5** Minutes of the quarterly Meeting in which all suggestions and complaints was placed and resolved will be prepared. And the same will be signed by chairman.

**7.6** All the complainants and suggestions should be placed and opened before the policy members as detailed below.

<b>Name</b>	<b>Category</b>	<b>Designation</b>
Mr. Ashish Gupta	Whole Time Director & CFO	Vigilance Officer
Mr. Mohd. Raziuddin	Whole Time Director	Member
Mr. Prem Mohan Gupta	Independent Director	Member

## **8. INVESTIGATION**

All Protected Disclosures under this Policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the Suggestion, complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation. The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit. Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

## **9. REPORTING**

A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **10. CONFIDENTIALITY:**

The Complainant, Members of Audit Committee, the Subject and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations and keep the papers in safe custody.

## **11. PROTECTION**

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. The identity of the Whistle Blower shall be kept confidential to the extent possible and

permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

**12. ROLE OF AUDIT COMMITTEE:**

The Audit Committee is responsible for supervising the development and implementation of this policy, including the work of the Ethics & Compliance Task Force. The Audit Committee shall periodically review the policy to consider whether amendments are necessary, and, if so, it shall communicate any such amendments to all Employees as soon as possible.

**13. INTERPRETATION:**

Terms that have not been defined in this policy shall have the same meaning assigned to them in the Companies Act, 2013 and other applicable laws as amended from time to time.

**14. COMMUNICATION:**

Directors and Employees shall be informed of the Policy by publishing on the notice board and the website of the Company.

**15. 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.

**16. AMENDMENT:**

The Board of Director or the committee of Directors has the right to amend or modify this policy in whole or in part, at any time without assigning any reason, whatsoever.