

GORANI INDUSTRIES LIMITED

VIGIL MECHANISM POLICY

Preamble

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel (“the Code”), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel.

Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Policy

Pursuant to the provisions of Section 177 (9) & (10) read with rule 7 of Chapter XII of the Companies Act, 2013 Gorani Industries Limited, being a Listed Company has established a Vigil Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism.

Definitions

The definitions of some of the key terms used in this Policy are given below.

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
2. “**Employee**” means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
3. “**Board**” means the Board of Directors of the Company.
4. “**Company**” means the M/s. Gorani Industries Limited and all its offices.
5. “**Code**” means Code of Conduct for Directors and Senior Management Executives adopted by M/s. Gorani Industries Limited.

6. “**Vigilance Officer/Vigilance Committee or Committee**” is a person or Committee of persons, nominated/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.

MECHANISM

1. Policy Objectives

- The Vigil Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy.
- The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.
- The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

2. Scope

- This Policy is an extension of the Code of Conduct.
- 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’s rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activities on account of which the interest of the Company is affected.
- However the mechanism does not release the employees from their duty of confidentiality in the course of their work and nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.
- Protected Disclosure will be appropriately dealt with by the Audit Committee.

3. Eligibility

All Employees and Directors of the Company are eligible to make disclosures under the mechanism in relation to :

- unethical behavior,
- actual or suspected fraud,
- Violation of the company’s code of conduct or ethics policy.

The Protected Disclosures will be in relation to matters concerning the Company.

4. Receipt/Disposal of Protected Disclosures

- A. All Protected Disclosures should be:
- i) Preferably reported in writing by the Complainant and should either be typed or written;
 - ii) reported as soon as possible, not later than 30 days after the Complainant becomes aware of the same;
 - iii) submitted in a closed and secured envelope and should be super scribed as “Protected Disclosure under the Vigil Mechanism Policy”. The same may also be sent through email with the subject “Protected Disclosure under the Vigil Mechanism Policy”. If the complaint is not super scribed and closed as mentioned above, it may not be possible for the Audit Committee to protect the Complainant and the protected disclosure will be dealt with as if a normal disclosure.
- B. The Protected Disclosure should be forwarded under a covering letter signed by the Complainant. The Competent Authority shall detach the covering letter bearing the identity of the Complainant and process only the Protected Disclosure.
- C. The Complainant shall address the Complaint / Grievance to the Vigilance Officer of the Company or the Chairman of the Audit Committee (in exceptional cases). The duly filled complaint form provided herein shall be submitted to the Company via email at gorani.industries@yahoo.com or at Plot No. 32-33, Sector-F, Sanwer Road, Industrial Area, Indore, (M.P.)-452015.
- D. In order to protect the identity of the complainant, the Vigilance Officer or the Committee will maintain confidentiality of the complainants.
- E. The Committee on the receipt of disclosure of any of above frauds or events shall make a record of the disclosure and also ascertain from the complainant whether he was the person who made the disclosure or not. The Committee shall also carry out initial investigation either itself or at its discretion by involving any other official of the Company or an outside agency as it may deem fit.
- F. Any member of the Audit Committee or such other officer involved in the investigation, having any conflict of interest with the matter shall disclose his/her concern/interest forthwith and shall not deal with the matter.
- G. The Committee as it deems fit, may call for further information from the complainant.

5. Investigation

- A. Investigator(s) are required to conduct a process towards fact-finding and analysis. Investigator(s) shall derive their authority and rights from the Audit Committee when acting within the course and scope of their investigation.
- B. Technical and other resources may be drawn upon as necessary to augment the investigation.
- C. All Investigators shall be independent and unbiased. Investigators will have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- D. Investigations will be launched only after a preliminary review which establishes that
 - i. The alleged act constitutes an improper or unethical activity or conduct and
 - ii. The allegation is supported by information specific enough to be investigated

6. Decisions and Reporting

If the outcome of the investigation leads to conclusion that, any improper or unethical act has been committed, then the Committee must record the same and recommend the Complaint along with the findings of the Committee upon investigation to then management for the disciplinary or corrective action to be taken against the concerned employee/director. The decision of the Committee shall be recorded with reasons and a copy of the same shall be forwarded to the complainant and the subject.

If the decision is not to the satisfaction of the complainant then the complainant has the right to report the event to the appropriate legal or investigating authority. However, if the complainant makes false or wrong allegations then disciplinary actions in accordance with the rules, procedures and policies of the Company shall be taken against the complainant as the Committee may decide.

7. Secrecy and Confidentiality

The Committee as well as complainant 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 investigation.
- Not keep the papers unattended anywhere at any time.
- Keep the electronic mails / files under password and under safe custody

8. *Protection*

- The Mechanism will provide for adequate safeguards against victimization of employees and directors who use such mechanism.
- No unfair treatment will be meted out to a complainant by virtue of his/ her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against complainants. Complete protection will therefore be given to complainant against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the complainant's right to continue to perform his duties/functions including making further disclosure.
- The Company will take steps to minimize difficulties which the complainant may experience as a result of making the disclosure. Thus, if the complainant is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the complainant to receive advice about the procedure, etc.
- A complainant may report any violation of the above clause to the Chairman of the Committee, who shall investigate into the same and recommend suitable action to the management. The identity of the complainant shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority.
- In the event of the identity of the complainant being disclosed, the Committee is authorized to initiate appropriate action as per extent regulations against the person or agency making such disclosure. The identity of the complainant, if known, shall remain confidential to those persons directly involved in applying this mechanism, unless the issue requires investigation by law enforcement agencies.
- Any other employee assisting in the said investigation shall also be protected to the same extent as the Complainant. Provided however that the complainant before making a complaint has reasonable belief that an issue exists and that he has acted in good faith. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

9. Access to Chairman of the Audit Committee

The complainant shall have direct access to Chairman of Committee in exceptional cases. The Chairman shall prescribe suitable direction in this regard.

10. Penalties

If the alleged fraud or misconduct is proven after investigation, the Committee may impose such penalty / fine as it may deem fit depending upon nature of fraud or unethical act done by the person.

11. Display of Mechanism on Website

The Mechanism herein set up cannot be effective unless it has been communicated to eligible person described herein above. For this purpose Company shall display it on its website of the Company and shall also disclose it in Board's Report.