

AGARWAL FUEL CORPORATION PVT. LTD.
CIN: UU45203MP1980PTC001674

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Vigil Mechanism Policy

1. Preface

As per applicable provisions of section 177 of the Companies Act, 2013 and rules made thereunder company shall establish a Vigil Mechanism for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy. The Company has adopted a Code of Conduct for Directors and Senior Management Executives ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also make provisions for direct access to the Whistle Officer nominated by the Board to play role of Audit Committee for the purpose of vigil mechanism to whom other director and employees may report their concern as per Rule 7(2) &(3) of the companies (Meeting of Board and its powers) Rules, 2014.

Under these circumstances, Agarwal Fuel Corporation Pvt. Ltd., as per sec. 177 of the Companies Act, 2013 and Rule 7(1) of the Companies (meeting of Board and its power) Rules 2014 proposes to establish Vigil Mechanism and to formulate a policy for the same.

2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.

- a. "Associates" means and includes vendors, suppliers and others with whom the Company has any financial or commercial dealings.
- b. "Whistle officer" means the Director nominated by Board to play role of Audit Committee for the purpose of vigil mechanism to whom other director and employees may report their concern as per Rule 7(3) of the companies (Meeting of Board and its powers) Rules, 2014.
- c. "Employee" means every employee of the Company (whether working in India or abroad), including the directors in the employment of the Company.
- d. "Code" means the Vigil Mechanism Code of Conduct.
- e. "Director" means every Director of the Company, past or present.
- f. "Investigators" mean those persons authorized, appointed, consulted or approached by the Ethics Counselor includes the auditors of the Company and the police.
- g. "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- h. "Subject" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- i. "Whistleblower" means an Employee or director making a Protected Disclosure under this policy.

3. Scope of this Policy

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and 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 monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.



4. Eligibility

All Employees and directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

5. Disqualifications

- a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
- c. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to be prosecuted under Company's Code of Conduct.

6. Procedure

- a. All Protected Disclosures should be addressed to the Whistle Officer, to oversee the vigil mechanism of the Company for investigation.
- b. The contact details of the Whistle Officer, nominated to oversee the vigil mechanism:

Mr. Rajendra Sohani
150, Brajeshwary Annex B Near
Ashish Nagar, Indore 452018

Further Mr. Rajendra Sohani appointed Mr. Sunil Pandey as assistant to oversee the matter, as and when required.

- c. If a protected disclosure is received by any executive of the Company other than Whistle Officer, the same should be forwarded to the Whistle Officer for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.
- d. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower.
- f. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistleblower. The Whistle Officer shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- e. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- f. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistleblowers.

7. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by whistle officer of the Company who will investigate/oversee the investigations under the authorization of the Board.
- b. The whistle officer may at its discretion, consider involving any Investigators for the purpose of investigation.
- c. The decision to conduct an investigation taken by the whistle officer is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- d. The identity of a subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

f. Subjects shall have a duty to co-operate with the whistle officer or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

g. Subjects have a right to consult with a person or persons of their choice, other than the Ethics Counselor/Investigators and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

h. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.

i. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

k. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

8. Protection

8.1 No unfair treatment will be meted out to a Whistle Blower 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 Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers 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 Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

8.2 A Whistle Blower may report any violation of the above clause to the Whistle Officer, who shall investigate into the same and recommend suitable action to the management.

8.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

8.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9. Secrecy/Confidentiality

The complainant, Whistle officer, the Subject and everybody involved in the process shall:

9.1 Maintain confidentiality of all matters under this Policy

9.2 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.

9.3 Not keep the papers unattended anywhere at any time

9.4 Keep the electronic mails / files under password.

10. Decision

If an investigation leads the Whistle Officer to conclude that an improper or unethical act has been committed, Whistle Officer shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective



action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Whistle Officer shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

11. Reporting

The Whistle Officer shall submit a report to the Board on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

12. Access to Whistle Officer

The Whistle Blower shall have right to access Whistle Officer directly in exceptional cases and the Whistle Officer is authorized to prescribe suitable directions in this regard.

13. Communication

A whistle Blower policy cannot be effective unless it is properly communicated to employees.

14. 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.


15. Administration and review of the Policy

A quarterly status report on the total number of compliant received, if any during the period with summary of the findings and corrective steps taken should be send to the chairman of the company.

16. 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 and Directors unless the same is notified to them in writing.

By orders of the Board
For Agarwal Fuel Corporation Pvt. Ltd.


(Vinod Kumar Agarwal)
Managing Director
DIN: 00136613


(Rajendra Sohani)
Whistle Officer & Director
DIN: 00379042

Date : 13/05/2014
Place : Indore

