



FRAUD RISK POLICY



Introduction

1. VIRAJ PROFILES Limited (hereinafter called VIRAJ) has a strong commitment to maintain highest legal, ethical and moral standards. All members of staff on rolls of VIRAJ, its subsidiaries, vendors, consultants and suppliers are expected to share this commitment. This policy is established to facilitate the development of procedures, which will aid in the prevention, investigation of fraud and related offences.

2. The Management already has procedures in place that reduce the likelihood of fraud occurring. These include standing orders, documented procedures and documented systems of internal control and loss prevention management function. In addition, the Management tries to ensure that a risk and fraud awareness culture exists in VIRAJ.

3. This document is intended to provide direction and help to those employees and directors who find themselves having to deal with suspected cases of theft, fraud or corruption. This document gives a framework for a response and advice and information on various aspects and implications of an investigation.

Fraud policy

4. This policy applies to any irregularity, or suspected irregularity, involving employees as well as consultants, suppliers, contractors, and/or any other parties with a business relationship with VIRAJ. Any investigative activity required will be conducted without regard to any person's relationship to VIRAJ, position or length of service.

Actions constituting fraud

5. Fraud comprises both the use of deception to obtain an unjust or illegal financial advantage and intentional misrepresentations affecting the financial statements by one or more individuals among management, staff or third parties. Some of the DO's and DON'Ts for employees have been listed out in Appendix 'A' to this policy.

6. All managers and supervisors have a duty to familiarise themselves with the types of improprieties that might be expected to occur within their areas of responsibility and to be alert for any indications of irregularity. It is the duty of each member of VIRAJ and its subsidiaries and other business partners to report any such instances of fraud coming to their knowledge to CMD or to Loss Prevention head.



The Management's policy

7. The Management is absolutely committed to maintaining an honest, open and well intentioned atmosphere within VIRAJ and its subsidiaries. It is, therefore, also committed to the elimination of any fraud within the VIRAJ and its subsidiaries, and to the rigorous impartial investigation of any such cases.

8. The Management wishes to encourage anyone having reasonable suspicions of fraud to report them as per 'whistle blowers policy' or to CMD or to Head Loss Prevention. Therefore, it is also the Management's policy, which will be rigorously enforced, that no employee will suffer in any way as a result of reporting reasonably held suspicions.

9. All members of staff can therefore be confident that they will not suffer in any way as a result of reporting reasonably held suspicions of fraud. For these purposes 'reasonably held suspicions' shall mean any suspicions other than those which are shown to be raised maliciously and found to be groundless.

Exceptions / Amendments

12. The above terms are subject to modification by Management at any time according to Business / Statutory requirements. All exceptions must be approved by the Chairman and Managing Director (CMD).

Disclaimer: While we try to ensure that this document reflects the current Viraj Profiles "Fraud Risk" Policy, at times there may be a lag between a change in policy and an update of this document. You should contact your HR Department to ensure that the policy statement contained in this document is the most current.



Appendix 'A'

Refers to Para 5 of Fraud Risk Policy

Employee DOs and DON'Ts

Do's	Don'ts
Report for duty/ work, on time	Steal time. If you are absent, regularize with authorized absence like leave.
Approve absence of subordinates as per official parameters only	Mark 'proxy' presence on behalf of someone else.
Use company's telephone for official purposes only	Take print outs of personal documents from official printers
Use company's vehicle for official purposes only	Claim for expenses NOT incurred while discharging official duties
Claim NON CTC expenses on 'actual / authorized' basis only	Put up false claims
Use authorized user names and passwords	Steal/ use someone else's user name of password
Use company IT assets like computers for official work only	Carry out personal work in office on official systems
Report if you notice breach in company's IT policy	Allow 'un authorized' persons to access company's data/ systems
Use only company provided software	Use pirated software on company's computers
Put up demand if specific software is required to be procured for discharging official obligations	Visit prohibited sites from company's computers/ networks



Do's	Don'ts
Check and recheck all entries on document before signing the same	Raise invoice for goods/ services which have NOT been received by the company
If you have to use discretion, use it in the interest of the company	Hesitate to seek clarifications from subordinates or superior officers in case of doubt
Bring fact to the notice of the company if you have any interest in any of the listed vendors supplying goods and/ or services to company	Misrepresent/ suppress/fudge facts and figures in any company communication/ document
Bring fact to the notice of management if any vendor seeks any undue patronage or support from you	Approve or sign a commercial document blindly without verifying it for correctness of data contained therein
Report if any vendor tries to bribe you	Leave key of safe/ almirah/ locker unattended, which contain your valuables or you are entrusted to protect on behalf of the company
Scrutinize all entries of NON CTC claims put up by subordinates	Neglect your duty or take it lightly. A casual approach makes you loose your senior's trust and your junior's respect
Nurture environment of trust, but, understand the difference between blind trust and trust	Sanction usage of company's assets like stationary and other administrative assets for personal benefits
Record your reasons if you are deviating from the given business standards or procedures	Be arbitrary. If any rule or procedure is not clear enough, take decision in the interest of company and in good faith
Protect company's interests. Every supervisor and above, is a vigilance officer in respect of persons and rules/ processes under his charge	Delay decision making. Your team would be looking up to you for decision making



Keep management informed if any rule/ process is likely to have adverse impact on company's performance	Accept gifts/ grafts from subordinate employee
Take prompt action to redress subordinates complaints or grievances	Mingle with vendors supplying goods / services to company or accept lavish hospitality from them.
Must inform company if there is any criminal legal suit instituted against you or is pending against you	Be a spokesperson for others. If there is any issue/ policy/ procedures which impact you adversely, same be raised with designated authority through proper channels.
Lead by examples	