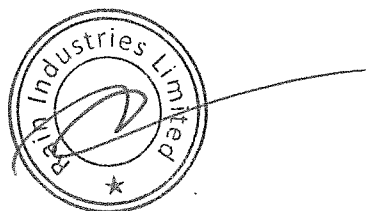


RAIN INDUSTRIES LIMITED

POLICY ON PREVENTION OF FRAUD



RAIN INDUSTRIES LIMITED

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POLICY ON PREVENTION OF FRAUD

1. INTRODUCTION

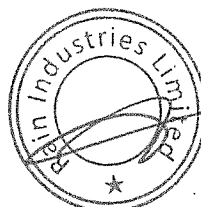
Over the years Rain Industries Limited (RIL/Company) has implemented various policies and procedures, systems to guide RIL officials within and outside the organization for efficient functioning in a transparent manner. Most of these have been formalized in the form of policy documents. These systems have been designed to ensure that officials dealing and undertaking transactions conduct the same in a transparent & uniform manner. The Policy on Prevention of Fraud is also forming a part of internal control mechanism of the Company.

The Board of Directors have adopted the following policy and procedures with regard to Prevention of Fraud as defined below. The Board may review and amend this policy from time to time.

2. OBJECTIVE OF THE POLICY

The “Policy on Prevention of Fraud” has been framed to provide a system for detection and prevention of fraud, reporting of any fraud that is detected or suspected and fair dealing of matters pertaining to fraud. The policy will ensure and provide for the following:

- i. To ensure that management is aware of its responsibilities for detection and prevention of fraud and for establishing procedures for preventing fraud and/or detecting fraud when it occurs.
- ii. To provide a clear guidance to management, including all employees and others dealing with RIL forbidding them from involvement in any fraudulent activity and the action to be taken by them where they suspect any fraudulent activity.
- iii. To conduct investigations into fraudulent activities.
- iv. To provide assurances that any and all suspected fraudulent activity will be fully investigated (subject to verification of ID of the compliant). Genuine informant to be protected for any harassment that may be inflicted on them.



v. In case any informant is providing wrong information to harass and create unwarranted problem for any employee, such employee needs to be protected to boost the morale and appropriate disciplinary action to be initiated against the informant for providing wrong information as per the applicable conduct rules and in case of outsiders (other than employees) appropriate legal action is to be taken.

3. SCOPE OF THE POLICY

This policy applies to any fraud or suspected fraud, involving Board of Directors, employees, shareholders, consultants, vendors, lenders, borrowers, contractors, outside agencies doing business with RIL, employees of such agencies, and/or any other parties with a business relationship with RIL.

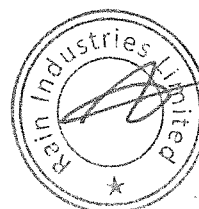
4. DEFINITION OF FRAUD

As per Section 447 of the Companies Act, 2013 “fraud” in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss.

5. ACTIONS CONSTITUTING FRAUD

While fraudulent activity could have a very wide range of coverage, the following are some of the act(s) which constitute fraud.

- i. Forgery or alteration of any document or account belonging to the Company
- ii. Forgery or alteration of cheque, bank draft or any other financial instrument etc.
- iii. Misappropriation of funds, securities, supplies or other assets by fraudulent means etc.
- iv. Falsifying records such as pay-rolls, removing the documents from files and/or replacing it by a fraudulent note etc.
- v. Willful suppression of facts/deception in matters of appointment, placements, submission of reports, tender committee recommendations etc. as a result of which a wrongful gain(s) is made to one and wrongful loss(s) is caused to the others.
- vi. Utilizing Company funds for personal purposes.
- vii. Authorizing or receiving payments for goods not supplied or services not rendered.

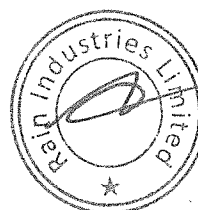


- viii. Destruction, disposition, removal of records or any other assets of the Company with an ulterior motive to manipulate and misrepresent the facts so as to create suspicion/suppression/cheating as a result of which objective assessment/decision would not be arrived at.
- ix. Receiving bribes or pay-off, Secret commissions or compensation/ gratuities from company's suppliers, dealers, contractors, service providers and others directly or indirectly. Such receipts may include receiving such illicit payments through their family members or associates.
- x. Disclosure of Company's confidential information, business plans, bid prices etc..
- xi. Any other act which falls within the gamut of fraudulent activity.
- xii. Coercion in doing any act beyond the principle, procedures, practices of the company leading to disruption in normal activities having direct or indirect impact on business activities.

The list given above is only illustrative and not exhaustive.

6. REPORTING OF FRAUD

- i. Any Director, employee, representative of vendors, suppliers, contractors, consultants, service providers or any other agency(ies) doing any type of business with RIL as soon as he/she comes to know of any fraud or suspected fraud or any other fraudulent activity must report such incident(s). Such reporting shall be made to the Head of Legal Department. If, however, there is shortage of time such report should be made to the immediate controlling officer whose duty shall be to ensure that input received is immediately communicated to the Head of Legal Department. The reporting of the fraud normally should be in writing. In case the reporter is not willing to furnish a written statement of fraud but is in a position to give sequential and specific transaction of fraud/suspected fraud, then the officer receiving the information should record such details in writing as narrated by the reporter and also maintain the details about the identity of the official /employee / other person reporting such incident. Reports can be made in confidence and the person to whom the fraud or suspected fraud has been reported must maintain the confidentiality with respect to the reporter and such matter should under no circumstances be discussed with any unauthorized person.
- ii. All reports of fraud or suspected fraud shall be handled with utmost speed and shall be coordinated by Officer(s) to be nominated, failing which it may lose significance and cause loss and damage to the company.
- iii. Officer(s) receiving input about any suspected fraud shall ensure that all relevant records documents and other evidence is being immediately taken into custody and being protected from being tampered with, destroyed or removed by suspected perpetrators of fraud or by any other official under his influence.



7. INVESTIGATION PROCEDURE

The Head of Legal Department shall refer the details of the Fraud/suspected fraud to the Managing Director, for direction to proceed with the investigation and needful action.

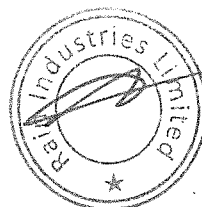
After completion of the investigation, due & appropriate action, which could include administrative action, disciplinary action, civil or criminal action or closure of the matter if it is proved that fraud is not committed etc. depending upon the outcome of the investigation shall be undertaken.

8. REPORTING TO AUDIT COMMITTEE AND BOARD OF DIRECTORS

The Managing Director shall provide the details of fraud(s) to Audit Committee and Board of Directors. The Audit Committee and Board of Directors shall give directions to Managing Director with regard to further course of action in the matter.

9. RESPONSIBILITY FOR FRAUD PREVENTION

- i. Every Director, employee, representative of vendors, suppliers, contractors, consultants, service providers or any other agency(ies) doing any type of business with RIL, is expected and shall be responsible to ensure that there is no fraudulent act being committed in their areas of responsibility/control. As soon as it is learnt that a fraud or suspected fraud has taken or is likely to take place they should immediately apprise the same to the concerned as per the procedure.
- ii. All Head of the Departments shall share the responsibility of prevention and detection of fraud and for implementing the Policy on Prevention of Fraud of the Company. It is the responsibility of all Head of the Departments to ensure that there are mechanisms in place within their area of control to:-
 - a. Familiarize each employee with the types of improprieties that might occur in their area.
 - b. Educate employees about fraud prevention and detection.
 - c. Create a culture whereby employees are encouraged to report any fraud or suspected fraud which comes to their knowledge, without any fear of victimization.
 - d. Promote employee awareness of ethical principles subscribed by the Company.
- iii. Due amendments shall be made in the general conditions of contracts of the organization wherein all bidders/service providers/vendors/consultants etc. shall be required to certify that they would adhere to the Policy on Prevention of Fraud and not indulge or allow anybody else working in their organization to indulge in fraudulent activities and would immediately apprise the organization of the fraud/suspected fraud as soon as it comes to their notice.



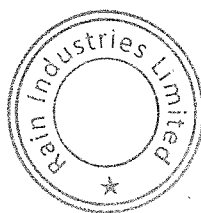
10. ADMINISTRATION AND REVIEW OF THE POLICY

The Managing Director and Head of Legal Department of the company shall be responsible for the administration, interpretation, application and revision of this policy.

11. AMENDMENT TO THE POLICY

The policy will be amended as and when needed with the approval of Board of Directors.

By Order of the Board
for Rain Industries Limited



A handwritten signature in black ink, appearing to read "Jagan Mohan Reddy Nellore".

Jagan Mohan Reddy Nellore
Managing Director
DIN: 00017633

PLACE: Hyderabad
DATE: November 6, 2025