



# **VIGIL MECHANISM**

## **PREAMBLE**

The Vigil Mechanism Policy is as per section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, which requires every listed company, Companies which accept deposits from the public and companies which have borrowed money from banks and public financial institutions in excess of fifty crore rupees to establish a vigil mechanism for the directors and employees to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the Company's Ethics Policy. Any actual or potential violation of the Ethics of the Company, 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 directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases.

## **POLICY**

In order to comply with the rules of the Companies Act and for the safeguard of the employees, Bengal Energy Limited, an unlisted company having borrowed money from banks in excess of fifty crore rupees has established a Vigil Mechanism and formulated a Policy in order to provide a framework for responsible and secure vigil mechanism.

## **POLICY OBJECTIVES**

- The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 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 behaviour, actual or suspected fraud or violation of the Ethics policy. The mechanism provides for adequate safeguards



against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/CEO/Chairman of the Audit Committee in exceptional cases.

- This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

### **SCOPE OF THE POLICY**

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- Abuse of authority
- Breach of contract
- Negligence causing substantial and specific danger to public health and safety
- Manipulation of company data/records
- Financial irregularities, including fraud, or suspected fraud
- Criminal offence
- Pilferation of confidential/propriety information
- Deliberate violation of law/regulation
- Wastage/misappropriation of company funds/assets
- Breach of employee Code of Conduct or Rules

Through this Policy, the Company seeks to provide a procedure for all the employees of the Company and its subsidiaries to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting.

### **The Guiding Principles**

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- Ensure complete confidentiality.
- Not attempt to conceal evidence of the Protected Disclosure;
- Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;



- Provide an opportunity of being heard to the persons involved especially to the Subject;

### **DEFINITIONS**

**“Alleged wrongful conduct”** shall mean violation of law, Infringement of Company’s rules, misappropriation of money’s, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.

**“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Listing Agreement and Companies Act, 2013.

**“Board”** means the Board of Directors of the Company.

**“Ethics Policy”** means conduct established for Directors and Senior Management Executives adopted by **Bengal Energy Limited**.

**“Employee”** means all the present employees and whole time Directors of the Company (Whether working in India or abroad).

**“Protected Disclosure”** means a concern raised 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 under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation/conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

**“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.

**“Vigilance and Ethics Officer”** means an officer 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.

**“Whistle Blower”** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.



### **ELIGIBILITY**

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

### **RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES**

- All Protected Disclosures should be reported in writing by the complainant as soon as possible (not later than 30 days) 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.
- The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **“Protected disclosure under the Vigil Mechanism policy”**. Alternatively, the same can 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 will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name/address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.

Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.

- The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company i.e. the Chairman of the Audit Committee. The contact details of the Vigilance and Ethics Officer is as under:-



- **Name and Address – Mr. Rajarshi Ghosh [Independent Director]**  
**Bengal Energy Limited**  
**'Om Tower', 3<sup>rd</sup> Floor,**  
**32, J.L. Nehru Road**  
**Kolkata – 700 071**  
**Email- [vigil@bengalenergy.in](mailto:vigil@bengalenergy.in)**

Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman/CEO of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman of the Company and the Chairman of the Audit Committee are as under:

**Name and Address of Chairman  
of the Company**

- **Mr. Om Jalan [Managing Director]**  
**Bengal Energy Limited**  
**'Om Tower', 3<sup>rd</sup> Floor,**  
**32, J.L. Nehru Road**  
**Kolkata – 700 071**  
**Email- [omjalan@bengalenergy.in](mailto:omjalan@bengalenergy.in)**

**Name and Address of the Chairman  
of the Audit Committee**

- **Mr. Rajarshi Ghosh [Independent Director]**  
**Bengal Energy Limited**  
**'Om Tower', 3<sup>rd</sup> Floor,**  
**32, J.L. Nehru Road**  
**Kolkata – 700 071**

- On receipt of the protected disclosure the Ethics officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure. The record will include:
  1. Brief facts;
  2. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  3. Whether the same Protected Disclosure was raised previously on the same subject;
  4. Details of actions taken by Vigilance and Ethics Officer for processing the



complaint

5. Findings of the Audit Committee
6. The recommendations of the Audit Committee/other action(s).

### **INVESTIGATION**

- All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- Subject(s) have a right to be informed of the outcome of the investigations. 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.



- 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.

### **DECISION AND REPORTING**

- If an investigation leads the Vigilance and Ethics Officer to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer shall report to the Audit Committee and the Chairman of the Audit Committee shall recommend to the Board of Directors 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.
- The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- In case the subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 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 Vigilance and Ethics Officer or the Audit Committee, shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.
- A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.



### **SECRECY/CONFIDENTIALITY**

The complainant, Vigilance and Ethics Officer, 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.
- Not keep the papers unattended anywhere at any time
- Keep the electronic mails/files under password.

### **CONFIDENTIALITY & PROTECTION**

- 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 the complainant. Complete protection will, therefore, be given to Whistle Blowers or complainants 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.
- A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 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.
- Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and





the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. 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.

### **DISQUALIFICATIONS**

- 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.
- Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by an employee knowing it to be false or bogus or with a mala fide intention.
- 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.

### **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

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

### **COMMUNICATION**

A Vigil Mechanism Policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

### **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.



### **ADMINISTRATION AND REVIEW OF THE POLICY**

The Board of Directors shall be responsible for the administration, interpretation, application and review of this policy. The Board also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

### **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.