

BALRAMPUR CHINI MILLS LIMITED

Vigil Mechanism Policy

This Policy may also be called as "Whistle-Blower Policy"

A. PREFACE:

Balrampur Chini Mills Ltd. ("the Company") believes in conducting its business affairs in fair and transparent manner by adherence to high standard of professionalism, integrity, honesty, prudence and ethical behavior. The Company is committed to create a culture where its director or employees feel safe in reporting of any unethical practices or event of fraud, misconduct or violations.

The objective of this policy is to encourage employees to bring ethical and legal violations they are aware of to an internal authority so that action can be taken immediately to resolve the problem and to minimize the organization's exposure to the damage that can occur when employees circumvent internal mechanisms. This policy provides a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about instance of serious irregularities, unethical behavior, actual or suspected fraud & violations to the prescribed authority within the Company.

The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation or vendetta.

This policy should be read in conjunction with applicable laws and regulations.

B. LEGAL REQUIREMENT:

Section 177 of the Companies Act, 2013 ("the Act") requires that the company shall establish a vigil mechanism for directors and employees to report genuine concerns in prescribed manner. The vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The details of establishment of such mechanism shall also be disclosed by the company on its website and in the Board's report.

Company shall operate the vigil mechanism through the Audit Committee. If any of the members of the audit committee are conflicted in a given case, they should reclude themselves and the others on the committee would deal with the matter on hand. In case of repeated frivolous complaints being filed by a director or an employee, the audit committee may take suitable action against the concerned director or employee including reprimand.

Regulation 22 of the Security and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (“the Listing Regulations”) also provides for all listed companies to establish Vigil Mechanism called „Whistle Blower Policy“.

Accordingly, this Vigil Mechanism Policy (“the Policy”) has been formulated with a view to provide a mechanism to director and employees of the Company to approach the Compliance Officer or the Chairman of the Audit Committee of the Company.

C. DEFINITIONS:

Audit Committee: means the Audit Committee constituted under the Companies Act, 2013 read with Regulation 22 of the Listing Regulations.

Company: means Balrampur Chini Mills Ltd.

Employee: means every employee of the Company (whether working in India or abroad) and includes director of the Company.

Protected Disclosure: means a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.

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.

Whistle Blower: means an employee or director making Protected Disclosure under this policy.

D. SCOPE:

The Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company. The role of Whistle Blowers is of reporting party with reliable information. They themselves should not act as investigators or fact-finder in any case to determine corrective or preventive action nor they are expected to do so. The Audit Committee shall operate this mechanism and may issue necessary instruction for implementation thereof. Protected Disclosure shall be dealt by the Compliance Officer or the Chairman of the Audit Committee, as the case may be.

E. DISQUALIFICATION:

Employees of the Company shall be protected from any kind of unfair treatment after making the Protected Disclosures, however, any misuse of this mechanism will warrant disciplinary action against such employee(s). Protection under this Policy would not mean protection from disciplinary action arising out of careless or false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention. The Policy should not be used for raising malicious or unfounded allegations against colleagues.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous or baseless, will be disqualified from reporting further Protected Disclosures under this Policy

F. PROCEDURE:

All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee for investigation. Further, all Protected Disclosures concerning the Director, Compliance Officer and employees at the level of General Manager and above should also be addressed to Chairman of the Audit Committee for investigation.

Protected Disclosures concerning other employees should be addressed to the Compliance Officer.

The Contact details of the Chairman of the Audit Committee are as follows:

Shri Dinesh Kumar Mittal
The Chairman of the Audit Committee
Balrampur Chini Mills Limited
„FMC Fortuna“, 2nd Floor
234/3A, A J C Bose Road, Kolkata – 700020
Email: mittaldk@yahoo.com

The Contact details of the Compliance Officer are as follows:

Shri Manoj Agarwal
The Company Secretary
Balrampur Chini Mills Limited
„FMC Fortuna“, 2nd Floor
234/3A, A J C Bose Road, Kolkata - 700020
Phone: 033 2287 4749
Email: csmanoj.agarwal@bcml.in

Protected Disclosure should be made in writing in the prescribed format (Annexure-I) within 30 days of the occurrence of the concern/event or before occurrence. Protected Disclosure can be submitted to the concerned authority by hand delivery or Speed/Regd. post or Fax or Email. Protected Disclosure should be factual and not speculative or conclusive in nature. It should contain specific information as much as possible for proper assessment of nature and extent of the concern.

If a Protected Disclosure is received by any other executive of the company, than he should forward the same to the Chairman of the Audit Committee or Compliance Officer, as the case may be, for appropriate action.

Utmost care must be taken to keep the identity of Whistle Blower confidential.

G. INVESTIGATION:

All Protected Disclosures reported under this Policy shall be investigated by the Compliance Officer or Chairman of the Audit Committee, as the case may be. Where initial inquiry indicates that the concern has no basis or it is not a matter to be investigated under this Policy, then it may be dismissed at that stage and no further investigation shall be carried on.

If initial inquiry indicates that further investigation is necessary, then detailed investigation shall be conducted. Compliance Officer or Chairman of the Audit Committee may at its discretion consider involving any Investigators for this purpose. The investigation would be conducted in a fair manner as a neutral fact finding process and without presumption of guilt. A written report of the findings would be made to the Compliance Officer or Chairman of the Audit Committee, as the case may be.

The identity of the Whistle Blower and the Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

Subjects will normally be informed regarding allegations made against him and have opportunities for providing his inputs to facilitate the investigation. Investigators may seek necessary information from the Subjects. Subjects shall have a duty to co-operate with the investigators. Subjects shall be free to engage any counsel to represent them in investigation proceedings. Subjects shall not interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witnesses shall not be influenced, threatened or intimidated by the Subjects.

Subjects shall be given the opportunity to respond to findings contained in the investigation report, unless there are compelling reasons not to do so. No allegation of wrongdoing against

a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

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.

The investigation shall normally be completed within 60 days of the receipt of the Protected Disclosure.

H. PROTECTION:

Unfair treatment will not be meted out to a Whistle Blower because of reporting a Protected Disclosure under this Policy. As a policy, the Company condemns any kind of discrimination, harassment, victimization or any unfair treatment against Whistle Blowers. Complete protection will 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. 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 requisite advice.

A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate the same and recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential to the extent possible as permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

I. INVESTIGATORS:

Investigators shall take all requisite steps including technical & other resources for fact-finding and analysis of the Protected Disclosure. If Investigator(s) engaged is other than Compliance Officer or Chairman of the Audit Committee, they should derive their authority from the Compliance Officer or Chairman of the Audit Committee and shall act within scope of their investigation.

Investigators shall act independently and unbiased. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of legal and professional standards.

J. REPORT INSTANCES OF LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

Whistle Blower(s) of the Company, having aware of any instance of leak of unpublished price sensitive information (UPSI), shall report the same to the Compliance Officer or Chairman of the Audit Committee, as the case may be. The procedures for inquiry of leak or suspected leak of UPSI, as given in Annexure – E of the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons, would be applicable mutatis mutandis, with the Policy.

K. CONCLUSION:

After investigation of the Protected Disclosure if it is found that an improper or unethical act has been committed, the Compliance Officer or Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Compliance Officer or Chairman of the Audit Committee 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 employee or personnel conduct and disciplinary procedures.

The Audit Committee may issue from time to time guidelines/ instructions for operation of this Policy.

L. SECRECY/CONFIDENTIALITY:

The Whistle Blower, the Subject, the Whistle Officer, the Investigator, and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter
- b. not to keep the papers unattended anywhere at any time
- c. keep the electronic mails/files under password
- d. not to discuss the matter in any informal/social gatherings/ meetings
- e. discuss only to the extent or with the persons required for the purpose of completing the process and investigations

If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

M. REPORTING:

A report with number of complaints received under the Policy, if any, and their outcome shall be placed before the Audit Committee and the Board. The details of establishment of Vigil Mechanism shall be disclosed by the company on its website and in the Board"s report.

N. AMENDMENT:

The Company reserves its right to amend or modify this Policy in whole or in part, at any time. Although, Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or need more clarity in the procedures. Such difficulties will be resolved in line with the broad intent of the Policy. The Company may also establish further rules and procedures or issue clarifications, from time to time, to give effect to the intent of this Policy and further the objective of good corporate governance.

By order of the Board

Sd/-

Company Secretary

Balrampur Chini Mills Limited

Note: The Board of Directors of the Company at its Meeting held on 23rd June, 2020 has approved and revised this policy with immediate effect.

BALRAMPUR CHINI MILLS LIMITED
Sample format for Whistle Blowing

Date:

Name of the employee/director:

Email id of the employee/director:

Communication address:

Contact No.:

Matter to be reported:

Name against the person/event focused at:

Brief about the concern:

Evidence (enclose, if any):

Signature

Note: The whistle blowing shall be submitted within 30 days of the occurrence of the concern/event or before occurrence.