



ABRPL

ASSAM BIO REFINERY PRIVATE LIMITED

VIGILANCE MECHANISM POLICY

(Approved by the Board of Directors on 03.05.2019)

ABRPL VIGILANCE MECHANISM POLICY, 2019

1. PREFACE

- 1.1. Assam Bio Refinery Private Limited ("ABRPL") is committed to conducting its business by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour in accordance with all applicable laws and regulations.
- 1.2. As per Section 177(9) & (10) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board & its Powers) Rules, 2014 mandates the following classes of companies to constitute the Vigil Mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.
 - (a) Every Listed Company,
 - (b) Every other company which accepts deposits from the Public,
 - (c) Every company which has borrowed money from Banks and Public Financial Institutions in excess of Rs.50 Crores.

Rule 7 (3) of Companies (Meetings of Board & its Powers) Rules, 2014 states that in case of other companies (companies which are not required to constitute an audit committee), the Board of directors shall nominate directors to play the role of audit committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

- 1.3. Further, the petroleum ministry issued guidelines for setting up a vigilance administration in all joint ventures, special purpose vehicles and autonomous organisations of oil and gas PSUs that were earlier free of such scrutiny. However, the modality of the outfit and its trials would be decided by the JV's board of directors.
- 1.4. Under these circumstances, ("Assam Bio Refinery Private Limited"), falling under the above criteria, proposes to establish a Vigil Mechanism and to formulate a policy for the same.
- 1.5. Moreover, ABRPL would like to define its general principles to treat others, business engagements while safeguarding its corporate assets.

2. POLICY OBJECTIVES

- 2.1. 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 areas covered in the scope of the policy to come forward and express these concerns without fear of punishment or unfair treatment.

- 2.2. 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 policy. However, 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 against people in authority and/or colleagues in general.
- 2.3. Through this vigilance mechanism, Company goes beyond simply obeying the law, it embraces the spirit of integrity and uphold the highest standards of ethical business conduct.

3. SCOPE OF THE POLICY

- 3.1. This Policy covers a genuine concern which includes but not limited to:
- (a) actual or suspected fraudulent practices/malpractices including but not limited to improperly tampering with Company's books and records, or theft of company property;
 - (b) corruption, including bribery;
 - (c) breaches of the rules of Company;
 - (d) financial irregularities, misappropriation of monies;
 - (e) negligence in compliance with laws and regulations relating to Health & Safety, Employment, Environment, Competition & anti-trust, Securities & energy markets;
 - (f) misuse/abuse of authority;
 - (g) Harassment or bullying; any form of abuse, harassment or bullying, in any Company workplace, towards employees, contractors, suppliers, customers or others.
 - (h) other matters or activity on account of which the interest of the Company is affected.

It is pertinent to mention that complaints concerning personal grievances, such as professional development issues or Employee Compensation, are not in the scope for purposes of this Policy.

4. DEFINITIONS & INTERPRETATION

- 4.1. In this Policy, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Policy, shall have the meaning assigned to them below:

"Alleged wrongful conduct" shall mean actual or suspected fraudulent practices/malpractices including but not limited to improperly tampering with Company's books and records, or theft of company property, corruption including bribery, Infringement of

Company's rules, financial irregularities, misappropriation of monies, negligence causing danger to public health and safety or abuse of authority, other matters or activity on account of which the interest of the Company is affected.

"Audit Committee" means a Committee constituted by the Board of Directors of the Company in accordance with provisions of Companies Act, 2013.

"Board" means the Board of Directors of the Company.

"Bonafide Complaint" A complaint shall be deemed to be bonafide unless it is found to be motivated.

"CEO" means the Chief Executive Officer of the Company.

"CFO" means the Chief Financial Officer of the Company.

"Chairman" means the Chairman of the Audit Committee.

"Company" means the Assam Bio Refinery Private Limited ("ABRPL").

"Complaint/Protected Disclosure" means an expression of an improper activity of any employee or group of employees/CEO/CFO/Directors of the Company made by a complainant in writing in conformity with this policy.

"Complainant" means an Employee, CFO, CEO, Directors and includes any Stakeholders of the Company who has made a complaint/Protected Disclosure in accordance with this policy.

"Competent Authority" means the CEO of the Company and will include any person(s) to whom he may delegate any of his powers as the Competent Authority under this policy from time to time. In case of conflict of interest (CEO being the subject person), Competent Authority means Chairman of the Audit Committee.

"Director" means every director of the company, past or present.

"Employee(s)" means all the employees (permanent, contractual, temporary, trainees) of the Company includes employee on deputation.

"Improper Activity" means any activity by an employee, Directors, CEO, CFO, of the Company that is undertaken in performance of his or her official duty, whether or not that act is within the scope of his or her employment, and that is in violation of any law or the rules of conduct applicable to the employee, including but not limited to corruption, malfeasance, bribery, theft, conversion or misuse of

Company's property, fraudulent claim fraud or wilful omission to perform duty or that is economically wasteful or involving gross misconduct incompetence or gross inefficiency and includes "Alleged wrongful conduct".

"Management" means the CEO, CFO, CS, VP – Supply chain and Head – Projects of the Company collectively or in a case of a vacancy out of these posts and Chairman of the Audit Committee.

"Policy" means Vigilance Mechanism Policy.

"Subject" means Chairman, Directors, Management and all employees of the Company against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

"Vigilance and Ethics Officer" means an officer of the Company nominated by competent authority with the concurrence of Audit Committee, to receive protected disclosures from Complainant, maintaining records thereof, to conduct detailed investigation under this policy and placing the same before the Audit Committee for its disposal and informing the Complainant the result thereof.

"Victimisation" means any act by which the complainant is victimized for making a complaint in good faith.

4.2. In this Policy, words importing masculine shall include feminine and words importing singular shall include plural or vice versa.

5. ELIGIBILITY

"Complainant" is eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. ESSENTIALS OF COMPLAINT

A complaint shall be in writing signed by the complainant and shall bear the identity of the complainant. Anonymous or pseudonymous complaints shall not be entertained.

The complaint shall be in sealed envelope and addressed to the Competent Authority. If the Complainant believes that there is a conflict of interest between the competent Authority and the Complainant, the complainant may send the complaint directly to the Chairman of the Audit Committee.

The Complainant may not be an investigator and hence is not expected to have conducted any independent investigation prior to making the complaint. The Complainant is, however, expected to have knowledge of the facts on which the Complaint is based and must, therefore, disclose sufficient facts about the existence of improper activity by an employee of the Company in the complaint.

The Complainant must also disclose that the complaint is not, on the face of it, motivated for which the Complainant shall disclose the relationship or dealings of the Complainant with Subject(s) in the complaint.

The Company will not entertain or enquire into any improper activity which is subject matter of an inquiry or order under any other law or direction.

7. REPORTING MECHANISM AND DISPOSAL OF PROTECTED DISCLOSURES

- 7.1. All Protected Disclosures should be reported by the complainant as soon as possible after he/she becomes aware of the same so as to ensure a clear understanding of the issues raised.

For that purpose, ABRPL has appointed a Vigilance & Ethics Officer to process and investigate Protected Disclosures. The Vigilance & Ethics Officer operates under the supervision of the Audit Committee. Protected Disclosures are to be made to the Vigilance & Ethics Officer in the prescribed format as annexed at **Annexure-A**.

However, Directors may report their concerns or complaints to Audit Committee directly.

- 7.2. Protected Disclosure against the Vigilance and Ethics Officer/CFO of the Company should be addressed to the Competent Authority i.e., CEO and the Protected Disclosure against the Directors/CEO should be addressed to the Chairman, who would be the competent authority in that case.

In case, a complainant has a reason to believe that he/she would be treated adversely as a consequence of their use of vigil mechanism and in exceptional cases, employees have a right to make Protected Disclosures directly to the Chairman. Chairman may choose to discuss the matter with the complainant prior to initiating any review or investigation.

- 7.3. If the complaint is not super scribed and closed the protected disclosure will be dealt with as if it is a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainant 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 seek the same from the complainant(s).
- 7.4. The Protected Disclosure should be forwarded under a covering letter signed by the Complainant. The Vigilance and Ethics Officer/Chairman/CEO, as the case may be, shall detach the covering letter bearing the identity of the Complainant and process only the Protected Disclosure.

7.5. On receipt of the protected disclosure, the Vigilance and Ethics Officer/CEO/ Chairman, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the Complainant whether he was the person who made the protected disclosure or not. They shall also carry out initial investigation either themselves or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

- (a) Brief facts;
- (b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- (c) Whether the same Protected Disclosure was raised previously on the same subject;
- (d) Details of actions taken by Vigilance and Ethics Officer/ Chairman/CEO for processing the complaint;
- (e) Findings of the Audit Committee;
- (f) The recommendations of the Audit Committee/ other action(s).

7.6. The Audit Committee, if deems fit, may call for further information or particulars from the Complainant.

The Complainant may also be associated with the investigations, if the case so warrants. However, he/she shall not have a right to participate in the investigation on his own accord. The Complainant should not become involved in determining the appropriate corrective action that might follow from the submission of a Protected Disclosure.

8. INVESTIGATION

8.1. All protected disclosures under this policy will be recorded. The Competent Authority shall determine whether the circumstances warrant an investigation into the complaint in the case. If the Competent Authority determines that an investigation is warranted, reason(s) for such determination shall be recorded in writing. The Competent Authority 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 investigation shall be fair and objective, and shall be undertaken by a person or persons who have no conflict of interest either with the Complainant or Subject(s).

8.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

8.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and will be accorded an opportunity of being heard and for providing their inputs during the investigation.

8.4. Subject(s) are duty bound to cooperate with the investigator(s) to the extent that their cooperation will not compromise self – incrimination shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

- 8.5. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer/Investigators/CEO/CFO or Chairman or members of the Audit Committee and/or the Complainant.
- 8.6. 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).
- 8.7. 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.
- 8.8. 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.
- 8.9. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure or such extended period as the Competent Authority may permit for the reasons to be recorded provided where any outside agency is hired for the purpose of investigation of protected disclosure, the time period for completion of such investigation can be extended upto 120 days or such period as the Competent Authority may permit for the reasons to be recorded. The period fixed for the investigation is the essence, since action(s), if any, to be taken on the complaint will depend on the investigation, and speedy action is the essence of this policy.

9. REPORTING

- 9.1. If an investigation leads the Vigilance and Ethics Officer/CEO/Chairman to conclude that a wrongful conduct/Improper Activity has been committed, the Vigilance and Ethics Officer/CEO/Chairman shall recommend to the management of the Company to take such disciplinary action in accordance with Conduct Rules of the Company or corrective action as it may deem fit. If subject is CFO, the CEO shall take such disciplinary or corrective action as it may deem fit.
- 9.2. A Complainant who makes false allegations about alleged wrongful conduct/ Improper Activity of the subject shall be subject to appropriate action in accordance with the rules, procedures and policies of the Company.

10. ROLE OF THE AUDIT COMMITTEE

- 10.1. The Audit Committee is responsible for supervising the development and implementation of this Policy, including the work of the Vigilance and Ethics Officer. The Audit Committee shall periodically review the Policy.

In case the Subject is the Chairman, the Chairman, shall forward the protected disclosure to members of the Audit Committee. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

10.2. The Audit Committee shall receive reports from the Vigilance and Ethics Officer concerning the investigation and resolution of Protected Disclosures made pursuant to the Policy quarterly.

10.3. The decision of Audit Committee shall be final.

The Process Flow Chart of Vigil Mechanism is annexed herewith as **Annexure B**.

11. SECRECY / CONFIDENTIALITY

The Complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and officials involved in the process shall maintain confidentiality of all matters under this Policy.

12. PROTECTION

12.1. 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 Complainant.

12.2. The identity of the Complainant will not be revealed unless he himself has either made his details public or disclosed his identity to any other office or authority. The identity of the Complainant, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

12.3. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Complainant.

12.4. The Complainant before making a complaint should have reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith shall be viewed seriously. 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.

12.5. Disciplinary Actions would be taken against persons who conceals or destroys or tampers in any manner with evidences related to protected disclosure made under this mechanism.

13. CONFLICTS OF INTEREST

Where a Protected Disclosure concerns Vigilance & Ethics Officer/CEO/ Chairman or member of the Audit Committee, such person shall be prevented from acting in relation to that Protected Disclosure. In case of doubt, the Chairman and in case, Chairman is

concerned, CEO of the Company shall be responsible for determining whether such person must reclude himself/ herself from acting in relation to a Protected Disclosure.

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. NOTIFICATION

The Vigilance Mechanism policy shall be prominently displayed on all Notice Boards of the Company. This policy, including amendments thereof, shall be made available on Company's website. Establishment of this mechanism would also be disclosed in Board's Report 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, subject to prior approval of the Board.

ANNEXURE-A
ASSAM BIO REFINERY PRIVATE LIMITED
PROTECTED DISCLOSURE FORM

Name of the Complainant : _____
Designation : _____
Department / Division : _____
Location : _____
Contact Number : _____
E-mail : _____
Correspondence address : _____

I hereby declare, that the accompanying statements and supporting documentation (if any) is true and correct, to the best of my knowledge and in complete good faith.

Date : _____
Signature of the Complainant : _____

Name of the Subject : _____
Designation : _____
Department/Division : _____
Location : _____

In case of Multiple Subjects

Name of the 2nd Subject : _____
Designation : _____
Department/ Division : _____
Location : _____

Name of the 3rd Subject : _____
Designation : _____
Department/ Division : _____
Location : _____

(If the space provided is not sufficient, attach a separate sheet)

[Handwritten signature]

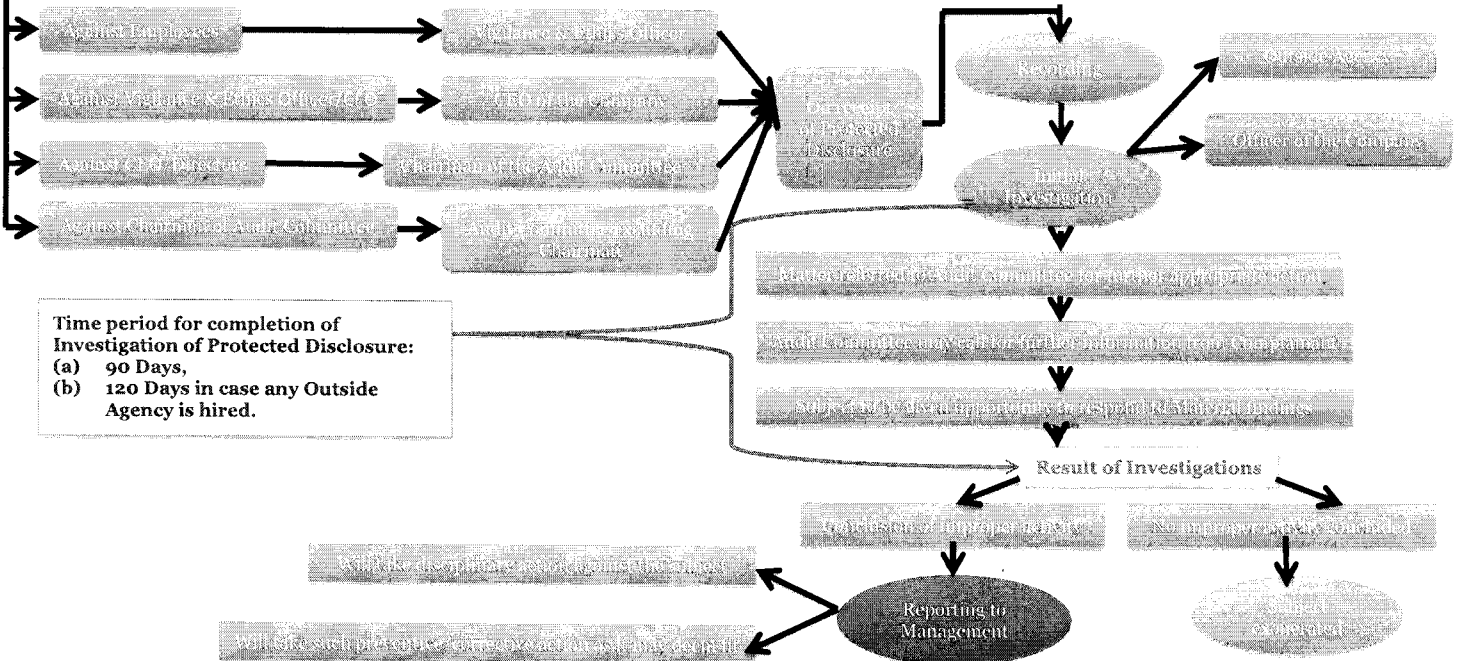
ANNEXURE B PROCESS FLOW CHART OF VIGILANCE MECHANISM POLICY

Complainant →

Things which complainant should remember that complain should not be Anonymous / Pseudonymous/ frivolous.

Protected Disclosure

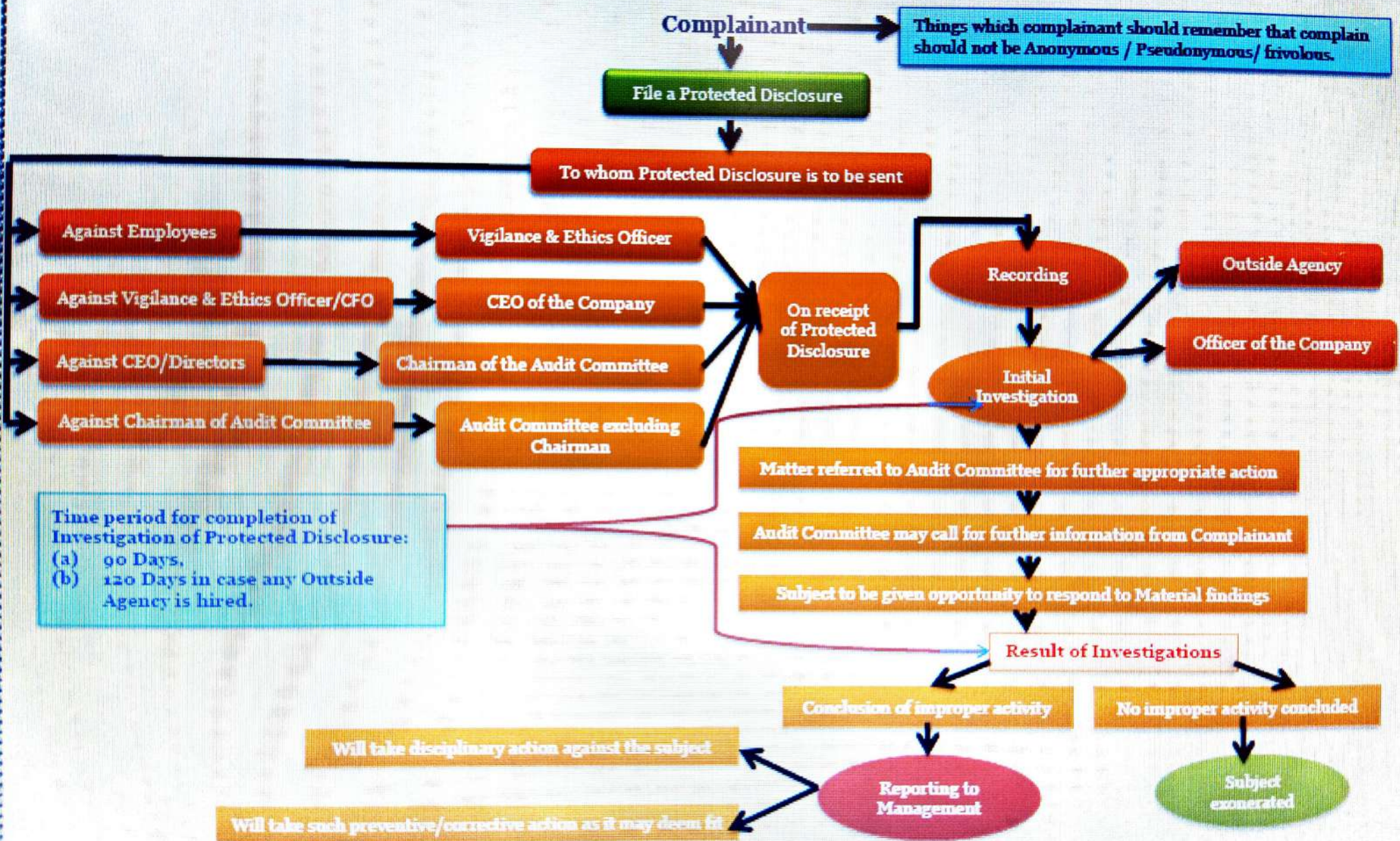
To whom Protected Disclosure is to be sent



Time period for completion of Investigation of Protected Disclosure:
(a) 90 Days,
(b) 120 Days in case any Outside Agency is hired.

ANNEXURE B

PROCESS FLOW CHART OF VIGILANCE MECHANISM POLICY



To Whom we report

Vigilance & Ethics Officer:

Assam Bio Ethanol Private Limited (ABEPL)

NRL Building, 122A, G.S. Road, Christianbasti, Guwahati-781005

E-mail: Zaffar.rizwani@abepl.co.in