

Bengal Tea & Fabrics Limited

CIN: L51909WB1983PLC036542

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VIGIL MECHANISM / WHISTLE BLOWER POLICY

{Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015}

I. PREFACE

Section 177 of the Companies Act, 2013 including any amendments thereto requires every listed company to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as prescribed in the rules made. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The 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.

In terms of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments thereto, (hereinafter also referred to as Listing Regulations), the Company is required to formulate a vigil mechanism for directors and employees to report genuine concerns. The vigil mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

In terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto, (hereinafter also referred to as Insider Trading Regulations), the Company is required to formulate a whistle blower policy to enable employees to report instances of leak of Unpublished Price Sensitive Information (“UPSI”). The Company has adopted a code of fair disclosure and conduct (“Insider Trading Code”) as required under Insider Trading Regulations, which lays down the practices and procedures that should govern the fair disclosure of UPSI by the Company and regulate and monitor the conduct of designated persons (as defined in the Insider Trading Code) while dealing in the securities of the Company. Any actual or potential violation of the Insider Trading Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a whistle blower policy 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.

II. DEFINITIONS:

- a. “Act” here refers to the Companies Act, 2013
- b. “Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, instances of leakage of UPSI or suspected leakage of UPSI, substantial and specific danger to public health and safety or abuse of authority.



- c. **"Audit Committee"** means a Committee constituted by the Board of Directors of the Company in accordance with the guidelines of Listing Regulations and Companies Act, 2013.
- d. **"Board"** means the Board of Directors of the Company.
- e. **"Company"** means the Bengal Tea & Fabrics Limited and all its units.
- f. **"Code"** means Code of Conduct for Directors and Senior Management Executives adopted by Bengal Tea & Fabrics Limited.
- g. **"Insider Trading Code"** means Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information adopted by the Company
- h. **"Protected Disclosure"** means a concern raised by an employee or group of employees or any Director of the Company, through a written communication and made in good faith which discloses 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.
- i. **"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.
- j. **"Unpublished Price Sensitive Information"** means any information, relating to the company or its securities, directly or indirectly, that is not generally available and which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following-
 - (i) financial results;
 - (ii) dividends;
 - (iii) change in capital structure;
 - (iv) mergers, de-mergers, acquisitions, de-listings, disposals and expansion of business and such other transactions.
 - (v) changes in key managerial personnel;
- k. **"Vigilance 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.
- l. **"Whistle Blower"** is an employee or group of employees or Director who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

The words not defined hereinabove shall have the same meaning as defined under the Companies Act, 2013 read with the relevant rules made there under and/or any modifications/substitution thereto.



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- e. **"Company"** means the Bengal Tea & Fabrics Limited and all its units.
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The words not defined hereinabove shall have the same meaning as defined under the Companies Act, 2013 read with the relevant rules made there under and/or any modifications/substitution thereto.



III. OBJECTIVES

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 and/ or who have witnessed or have knowledge of instances of leak of UPSI or have concerns about suspected leakage of UPSI, to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or instances of leakage of UPSI or suspected leakage of UPSI or violation of the Code of conduct and/ or the Insider Trading Code adopted by the Company. 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 Managing Director/CFO/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 against people in authority and/or colleagues in general.

IV. SCOPE OF THE POLICY

This Policy covers malpractices and events which have taken place or suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, instances of leakage of UPSI or suspected leakage of UPSI, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

V. ELIGIBILITY

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

VI. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.

All Protected Disclosures should be reported in writing by the complainant as soon as possible 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 or local language.

The Protected Disclosure should be submitted in a closed envelope with the subject **“Protected disclosure under the Whistle Blower 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 it is a normal disclosure. In order to protect identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope. The Vigilance Officer shall in case any further clarification is required, will get in touch with the complainant. Anonymous disclosure shall not be entertained by the Vigilance Officer. The Vigilance Officer / Chairman of the Audit Committee/ CFO of the Company as the case may be, 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 Officer of the Company or to the Chairman of the Audit Committee/ CFO of the Company in exceptional cases. The contact details of the Vigilance Officer is as under:-

Address –

Mr. Anil Kumar Mundhra
Century Towers, 4th Floor
45, Shakespeare Sarani
Kolkata – 700017
Email- anil@bengaltea.com



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

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| Name and Address of Managing Director Century Towers, 4th Floor of the Company | Mr. Adarsh Kanoria Managing Director Century Towers, 4th Floor 45, Shakespeare Sarani, Kolkata – 700017 Email- mail@bengaltea.com |
| Name and Address of the Chairman of the Audit Committee | Mr. Abhijit Datta Century Towers, 4th Floor 45, Shakespeare Sarani, Kolkata – 700017 Email- mail@bengaltea.com |
| Name and Address of CFO : | Mr. Atul Doshi Century Towers, 4th Floor 45, Shakespeare Sarani Kolkata – 700017 Email- atul@bengaltea.com |

On receipt of the protected disclosure, the Vigilance Officer/ CFO/ Chairman of the Audit Committee, as the case may be shall carry out initial investigation before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

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

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

VII. INVESTIGATION

All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and 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 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 wrongdoing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.



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.

VIII. DECISION AND REPORTING

If an investigation leads the Vigilance Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed or instances of leakage of UPSI or suspected leakage of UPSI has been noticed, the Vigilance Officer / Chairman of the Audit Committee shall recommend to the management 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 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 Managing Director of the Company /CFO 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 or false instances of leakage of UPSI or suspected leakage of UPSI to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

IX. SECRECY / CONFIDENTIALITY

The complainant, Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:

- a. Maintain confidentiality of all matters under this Policy
- b. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations
- c. Not keep the papers unattended anywhere at any time
- d. Keep the electronic mails / files under password.

X. PROTECTION

No unfair treatment will be meted out to a Whistle Blower 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 Whistle Blowers. Complete protection will, therefore, 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 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. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, 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.

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.

XI. 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.

XII. COMMUNICATION

A whistle Blower policy cannot be effective unless it is properly communicated to the employees. Employees shall be informed through by publishing in notice board/ circulation by hand and the website of the company.

XIII. RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of the investigation relating thereto, shall be retained by the Company for a period of 8 (eight) years or such other period as specified by any other law in force, whichever is more.

XIV. REVIEW & MODIFICATION OF THE POLICY

The Managing Director shall be responsible for the administration, interpretation, application and review of this policy. The Managing Director also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee. The Company reserves its right to amend or modify this Policy in whole or in part, at anytime 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.

Note: 1. The Vigil Mechanism policy was adopted by the Board of Directors of Bengal Tea & Fabrics Limited as on 10th May, 2014.

2. The existing Vigil Mechanism policy has been suitably modified in line with the requirements of SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 (w.e.f. April 01, 2019) by the Board of Directors in their meeting held on 9th February, 2019.

