

VIGIL MECHANISM POLICY OF BRBNMPL

[Pursuant to Section 177(9) of the Companies Act, 2013 r/w
Rule 7 of the Companies (Meetings of Board and Powers) Rules, 2014]

INDEX

Sl. No.	Subject	Page
1	Preamble	2
2	Policy objective	2
3	Definitions	3
4	Eligibility	5
5	Receipt and disposal of protected disclosures	5
6	Guidelines	7
7	Employee Notification	9
8	Investigation	9
9	Action	10
10	Feedback	11
11	Confidentiality	11
12	Non-Victimisation	11
13	Document Retention	12
14	Policy shall be available at the website of the Company	12
15	Annual affirmation on the compliance of Policy	12
16	Disclosure in Director's Report	12
17	Amendments	12

VIGIL MECHANISM POLICY OF BRBNMPL

1. PREAMBLE:

- 1.1. Section 177 (9) of Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.
- 1.2. Chapter-12-Rule 7 of Companies (Meeting of Board and its Power) Rules, 2014 contemplates the requirement of every company to establish a Vigil mechanism

2. POLICY OBJECTIVES

This Vigil Mechanism Policy (herein after referred to as Policy) is formulated considering the requirements envisaged under the Corporate Governance Guidelines in accordance with the Companies Act, 2013 and Rules made there under with the following objectives:

- 2.1 To provide an opportunity to all employees and Directors an avenue, to report genuine concerns and access to the Chairman of the Audit Committee.
- 2.2 To protect employees and Directors who report genuine Concern under this Policy in good faith, from reprisals or victimisation.
- 2.3 The Vigil mechanism is intended for reporting of genuine concerns about unethical behaviour, actual or suspected fraud, or violation of the company's general guidelines on conduct or ethics policy within the business of the Company and not for general business complaints or product related issues or grievances about an employee's personal employment situation.
- 2.4 In case of repeated frivolous complaints being filed by an employee, the Audit Committee may take suitable action against the concerned director or employee including reprimand.

For the sake of absolute clarity, it is specified that the Policy does not tantamount, in any manner, to diluting the Vigilance mechanism already available in the Company. Any Protected Disclosure made by an employee under this

Policy, if perceived to have a vigilance angle, shall also be referred to the Chief Vigilance Officer, BRBNMPL (herein after referred to as CVO) for further course of action.

3. DEFINITIONS

- 3.1 **Annual Report:** Annual Report includes all Reports which are required to be placed before the members of the Company annually i.e. Balance Sheet, Profit and Loss Account, Directors' Report, Auditors' Report and every other document which is required to be annexed or attached or forming part thereof.
- 3.2 **Audit Committee:** Audit Committee is the Committee which is constituted pursuant to the Corporate Governance Guidelines in accordance with the Companies Act, 2013.
- 3.3 **Board Report:** Board Report has the same meaning as defined under the Companies Act, 2013 and Rules made there under and amended from time to time.
- 3.4 **Concerns:** The written complaint with reference to unethical behaviour, actual or suspected fraud, violation of the companies' guidelines on conduct or ethics policy by employee but does not include personal grievance of employee or general business complaint.
- 3.5 **Competent Authority:** Competent Authority means the Managing Director/General Manager of Press/Officer-In-Charge of Press or the Audit Committee.
- 3.6 **Employee:** A person who performs a full time service for wages, salary, or other remuneration in the Company and is on the rolls of the Company and directors of the Company.
- 3.7 **Improper Activity:** means unethical behaviour, actual or suspected fraud or violation of the Company's general guidelines by an employee of BRBNMPL.
- 3.8 **Unethical behaviour:** includes actions such as the ones given below but not limited to:
- 3.8.1: Abuse of Authority.

- 3.8.2: Action aimed at taking advantage of another without his knowledge or consent.
- 3.8.3: Financial irregularities.
- 3.8.4: Disclosure of confidential/proprietary information to unauthorised persons.
- 3.8.5: Wastage/misappropriation of Company funds/assets.
- 3.9 **Good Faith:** Concern is deemed to be in "good faith" provided it is made on a reasonable ground with documentary support. "Good Faith" is lacking when the employee does not have personal knowledge on a factual basis for the Concern or when it is malicious, false or frivolous.
- 3.10 **Nodal officer:** Nodal officer is a Senior Officer who is appointed for accepting the genuine Concerns of the Whistle Blower.
- 3.11 **Protected Disclosure:** Protected Disclosure means any communication made in good faith that discloses or demonstrates information that may be treated as evidence of "Unethical" or "Improper Activity".
- 3.12 **Right of Access or Right of Approach:** The Right to an employee to give a written report on a genuine Concern to the Nodal officer / Audit Committee, which an employee has observed or found in the Company. Any change in the Competent Authority shall be duly notified from time to time through the Company's website www.brbnmpl.co.in.
- 3.13 **Subject:** Subject means an employee - officer / staff, director against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- 3.14 **Supervisor:** Supervisor means the Seniors of the employee to whom he is supposed to report in his official work.
- 3.15 **The Company or this Company:** The Company or this Company means "Bharatiya Reserve Bank Note Mudran (P) Limited" (BRBNMPL).
- 3.16 **Unfair Termination and Unfair Prejudicial Employment Practices:** Unfair termination and Unfair prejudicial employment practices means to threaten, or otherwise discriminate or victimise an employee in any manner that effects the employee's employment, including compensation, job location, rights, immunities, promotions, or privileges.

3.17 **Vigilance Angle:** Vigilance angle is obvious in the following acts: -

- (i) Demanding and/or accepting gratification other than legal remuneration in respect of an official act or for using his influence with any other official;
- (ii) Obtaining valuable thing, without consideration or with inadequate consideration from a person with whom he has or likely to have official dealings or his subordinates have official dealings or where he can exert influence;
- (iii) Obtaining for himself or for any other person any valuable thing or pecuniary advantage by corrupt or illegal means or by abusing his position as a public servant;
- (iv) Possession of assets disproportionate to his known sources of income;
- (v) Cases of misappropriation, forgery or cheating or other similar criminal offences;

3.18 **Whistle Blower:** Any employee who raises a genuine Concern.

4. ELIGIBILITY

All Employees are eligible to make "Protected Disclosures".

5. RECEIPTS AND DISPOSAL OF PROTECTED DISCLOSURES

5.1 The Protected Disclosure/genuine concern should be submitted under a covering letter bearing the identity of the Whistle Blower i.e. his/her Name, Employee Number, Designation, e-mail address, Contact number and Location and should be inserted in an envelope, which should be closed / secured /sealed. The envelope thus secured / sealed should be addressed to the Nodal officer concerned and should be superscribed "Protected Disclosure". (If the envelope is not superscribed and closed/sealed/secured, it will not be possible to provide protection to the Whistle Blower as specified under this policy). Alternatively, the same can also be sent to the designated email.

5.2 If the Whistle Blower believes that there is a conflict of interest between the Nodal officer and the Whistle Blower, he may send his Protected Disclosure directly to the Chairman, Audit Committee of the Board C/o CFO cum Company Secretary, BRBNMPL.

- 5.3 Protected Disclosure should either be typed or written in legible handwriting in English, Hindi or Regional language of the place of employment of the Whistle Blower and should provide a clear understanding of the genuine Concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.
- 5.4 Investigations into any Improper Activity which is the subject matter of an inquiry of order under the Public Servant's Inquiries Act, 1850 or under the Commissions of Inquiry Act, 1952 will not come under the purview of this Policy.
- 5.5 The contact details of Nodal Officers for addressing and sending the Protected Disclosure/genuine Concern is as follows:

(a) Complaints relating to Corporate Office

Managing Director
Bharatiya Reserve Bank Note Mudran (P) Ltd,
No.3 &4, 1st Stage, 1st Phase, BTM Layout
Bannerghatta Road
Bengaluru – 560 029.
Email: skmaheshwari@brbnmpl.co.in

(b) Complaints relating to Presses

The General Manager/Officer-In-Charge
Bharatiya Reserve Bank Note Mudran (P) Ltd
Salboni/Mysuru (as the case may be)
Salboni email: aksrivastava@brbnmpl.co.in
Mysuru email: rklabh@brbnmpl.co.in

In case the concern involves the Nodal officers, Genuine Concern is to be addressed to:

The Chairman, Audit Committee
C/o The Chief Financial Officer cum Company Secretary
Bharatiya Reserve Bank Note Mudran (P) Ltd
No.3 &4, 1st Stage, 1st Phase, BTM Layout
Bannerghatta Road
Bengaluru – 560 029.
Email:tnagarajan@brbnmpl.co.in

- 5.6 On receipt of the Protected Disclosure, the Nodal Officer/ CFO cum Company Secretary, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the Whistle Blower whether he was the person who made the Protected Disclosure or not.
- 5.7 In order to protect identity of the person, Nodal Officer/ CFO cum Company Secretary will not issue any acknowledgement and the whistle blowers are advised not to enter into any further correspondence.
- 5.8 The Nodal Officer or the person/s so authorised by him shall weed out frivolous/motivated complaints and the Protected Disclosure(s) / bonafide complaints which require further investigation.

6. GUIDELINES

- 6.1 **Prohibition:** The Policy prohibits Company from taking any action which may lead to unfair termination or unfair prejudicial employment practices against its employees for raising Concerns in good faith. However, this Policy does not protect an employee from an adverse action or proceedings which was initiated before a Concern is raised by the employee or from misconduct, poor job performance, or subjection to a reduction in workforce unrelated to a Concern made pursuant to the Vigil Mechanism Policy.
- 6.2 **Reporting Authority:** Audit Committee shall be the Reporting authority under this Policy. A Consolidated Statement from the Managing Director shall be submitted to the attention of Audit Committee for each quarter on the number of concerns received, dealt with, investigation status, important areas of investigations, etc.
- 6.3 **Rights & Protections of Whistle Blower:**
 - 6.3.1 The Whistle Blower's role is that of a reporting party with reliable information. He shall communicate genuine Concerns in writing along with all necessary supporting evidences. If the reporting is against the Nodal officer, the genuine Concern can be submitted to the Chairman of Audit Committee of the Board through Company Secretary.

- 6.3.2 The Whistle Blower shall be free to submit genuine Concern to Nodal officer. The Whistle Blower can also directly approach the Chairman of Audit Committee of the Board in case of conflict with nodal officer.
- 6.3.3 All genuine Concerns shall be appropriately dealt with by the Competent Authority. The Whistle Blower shall have a right to be informed of the disposition of his genuine Concerns except for overriding legal or other reasons.

Disqualification & Protections:

- 6.3.4 Genuine Whistle Blowers will be accorded protection from any kind of harassment/unfair treatment/victimisation.
- 6.3.5 A Whistle Blower may report any violation of Clause 6.3.4 above to the Competent Authority who shall investigate into the same and take corrective action as may be required.
- 6.3.6 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 6.3.7 If any employee of the Company who negligently or malafidely reveals the identity of the whistle blower shall be liable to be prosecuted under Section 16 of The Whistle Blowers Protection Act, 2011(Act No.17 of 2014) apart from being proceeded with disciplinary action.

Course of Action Available to the Employees:

- 6.3.8 An employee who alleges adverse action (Whistle Blower) under the Policy may approach Competent Authority for appropriate relief within 6 months, if any action is taken against the employee in violation of Clause 6.4 mentioned herein below.
- 6.3.9 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be motivated or malafide or malicious or frivolous, baseless or reported otherwise than in good faith, will be liable for disciplinary action as per Service Rules/ Certified Standing Orders or as per contract, as applicable.

6.4 *Actions Prohibited by the Policy:*

- 6.4.1 The Company shall not threaten, discriminate or victimise an employee in any manner that affects the employee's employment (i.e. compensation, job location, rights, immunities, promotions, or privileges) when an employee engages in an activity protected by the policy. This does not preclude a supervisor from taking appropriate action against an employee for misconduct, poor job performance, or a reduction in the workforce within the policy of the Company.
- 6.4.2 The Company shall not initiate adverse action against an employee who participates or gives information in an investigation or hearing or in any form of inquiry initiated by the Audit Committee.
- 6.4.3 The management of the company shall have an affirmative defence if it can establish by a preponderance of the evidence that the adverse action taken against the employee was due to employee misconduct, poor job performance, or a reduction of workforce unrelated to a communication made pursuant to the Policy.

7. EMPLOYEE NOTIFICATION

- 7.1 All employees shall be notified of the existence and contents of this Policy through the respective departmental heads and every department head shall submit a certificate duly signed by him to the Nodal officer that Policy was notified to each employee belonging to his department. In case of new employees, the same will be informed by the Personnel department and a statement in this regard shall be submitted to the Nodal officer on a periodical basis.
- 7.2 The Nodal officer will furnish a certificate, based on the certificates received from the respective departments of the Company regarding the notification of the Policy, to the Board of Directors and the Board shall take on record of the same.

8. INVESTIGATION

- (a) All protected disclosures under the Policy will be recorded and thoroughly investigated.

- (b) 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;
- (c) The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process;
- (d) Subjects will normally be informed in writing of the allegations at the outset of a formal investigation and will have opportunities for providing their inputs during the investigation;
- (e) The Subject shall have a duty to co-operate with the Competent Authority or any of the Officers appointed by it in this regard;
- (f) The Subject has a right to consult with a person or persons of their choice, other than the Competent Authority;
- (g) The Subject has a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and the witness shall not be influenced, coached, threatened or intimidated by the Subject;
- (h) Unless there are compelling reasons not to do so, the Subject shall be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation;
- (i) The Subject has 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;
- (j) The investigation shall be completed normally within ninety days of the receipt of the Protected Disclosure and is extendable by such period as the Audit Committee deems fit; however, the justification for the extension of time shall be recorded by the Audit Committee.

9. ACTION

9.1 If the Competent Authority is of the opinion that the investigation discloses the existence of improper activity which is an offence punishable in law, or/and have Vigilance Angle, then he/she may direct the concerned authority to take appropriate action under applicable statutory provisions

including referring the matter to Chief Vigilance Officer of the Company for appropriate action, as the case may be.

9.2 The Competent Authority shall take such other remedial action as deemed fit to remedy the improper activity mentioned in the Protected Disclosure/ Concern and/or to prevent the re-occurrence of such improper activity.

9.3 If the Competent Authority is of the opinion that the investigation discloses that no further action on the Protected Disclosure/ genuine Concern is warranted, he shall so record in writing.

9.4 If the Competent Authority is satisfied that the protected disclosure / complaint is false, motivated or vexatious, he/she may report the matter to concerned Disciplinary Authority for appropriate disciplinary action against the Whistle Blower.

10. FEEDBACK

The employee who submitted the genuine Concern will receive feedback about how the same has been dealt with, whether any corrective measures or process improvements have been recommended and if any further steps will be taken. No details will be released relating to specific individuals and the feedback might be of a general nature, taking into account the interest of the Company to keep its information confidential and the rights of any third parties.

11. CONFIDENTIALITY

The Protected Disclosure/ genuine Concern will be disclosed only to the employees who have a "need to know" for the purpose of the investigations. All employees involved in the Vigil mechanism process will maintain strict secrecy about the content of any subjects made in accordance with applicable law. Any disclosure of subjects or results of investigations will be authorized by the Competent Authority.

12. NON - VICTIMISATION

The Company will take the necessary measures to protect employees who have, in good faith, made genuine Concerns through the Vigil Mechanism Process.

13. DOCUMENT RETENTION

- 13.1 The Nodal officer will maintain records of all genuine Concerns, tracking their receipt, investigation and resolution.
- 13.2 Statistical information and data relating to the types of genuine Concerns received and corrective measures taken will be maintained for a minimum period of 5 years from the closing of the investigation, except where otherwise required by local law.
- 13.3 Data relating to a genuine Concern that is found to be unsubstantiated will be deleted without delay.

14. POLICY SHALL BE AVAILABLE AT THE WEB SITE OF THE COMPANY

The "Policy" as adopted by the Board and amended from time to time shall be made available at the web site of the Company. (i.e. www.brbnmpl.co.in)

15. ANNUAL AFFIRMATION ON THE COMPLIANCE OF POLICY

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to Whistle Blowers from unfair termination and other unfair prejudicial employment practices.

16. DISCLOSURE IN DIRECTOR'S REPORT

The affirmation as referred to in Clause 15 above shall form part of the Board Report that is required to be prepared and submitted together with the Annual Report.

17. AMENDMENTS

The Board of Directors do hereby authorize the MD, BRBNMPL to alter, amend or modify the clauses of the Policy from time to time in line with the requirements of any other Act, Rules, Regulations etc. which may be applicable from time to time.

Reference: Companies Act, 2013 & Companies (Meetings of Board and its Powers) Rules, 2014.