

**VIGIL MECHANISM & WHISTLE BLOWER POLICY  
Of  
ASSAM GAS COMPANY LTD**

*(Under Section 177(9) of the Companies Act, 2013) read with Companies (Meetings of Board and its Powers) Rules, 2014 and Corporate Governance Guidelines for SLPEs May 2013)*

**1.0 PREFACE**

- 1.1 This mechanism may be called the **Vigil Mechanism and Whistle Blower Policy** of Assam Gas Company Ltd. Assam Gas Company Limited endeavours to work against corruption in all its forms, including demanding and accepting bribe, illegal gratification or unjust rewards and appropriate provisions have been incorporated in the Conduct, Discipline and Appeal Rules/ Model Standing Orders applicable to employees. The company believes in the conduct of its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end the Company has adopted the **Vigil Mechanism and Whistle Blower Policy** (hereinafter referred to as the Policy). Any actual or potential violation of the Policy, however insignificant or perceived as such, would be a matter of serious concern for the Company. The role of Directors and employees in pointing out such violations of the Policy cannot be undermined.
- 1.2 Section 177(9) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a Vigil Mechanism:
- i Every listed company
  - ii Every other company which accepts deposits from the public
  - iii Every companies which has borrowed money from Banks and public financial institutions in excess of ₹50.00 Crores.
- 1.3 Reviewing the functioning of the Vigil Mechanism & Whistle Blower Policy has also been covered under the scope of Audit Committee of the Board under the Corporate Governance Guidelines for SLPEs of the Government of Assam issued in May, 2013.
- 1.4 Accordingly the mechanism known as “**Vigil Mechanism and Whistle Blower Policy**” of the Assam Gas Company Limited has been formulated with a view to provide a framework for directors and employees to report any improper activity before the Competent Authority for remedial or disciplinary action against the persons indulging in any improper activity. This Mechanism is also required to ensure greater transparency in all aspects of the Company’s functioning by formulating a procedure for employees to bring the attention of the Company, incidents of improper activities without fear of victimization. Any activity that violates the relevant and applicable Code of Conduct for the directors, officers, supervisors and employees will be construed as improper activity.

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1.5. Any director or employee can make a **Protected Disclosure** under this Policy providing for reporting to the Competent Authority. The Company shall ensure protection to the whistle blower and any attempts to intimidate him or her would be treated as violation of the Policy.

### **2.0 OBJECTIVE**

2.1 To conduct the affairs of the company in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour and for this purpose to encourage the directors and employees to raise and report any unethical, non-professional or improper activity related to the activities of the company to Competent Authority.

2.2 The objective of this policy is to build and strengthen a culture of transparency and trust in the Company and to provide employees with a frame work/ procedure for responsible and secure reporting of improper activities (whistle blowing) and to protect employees wishing to raise a concern about improper activity/ serious irregularities within the organization.

### **3.0 DEFINITIONS**

3.1 In this Policy, unless repugnant to the subject or context of its usage, the following expressions shall carry meanings hereunder assigned to them, namely:

- a) **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013.
- b) **“Bonafide Disclosure”** A Bonafide Protected disclosure shall be deemed to be bona fide unless it is found to be motivated.
- c) **“Disclosure”** means an expression of an Improper Activity of an employee or group of employees of the Company made by a Complainant/ Whistle Blower in writing in conformity with this Policy.
- d) **“Whistle Blower”** means an employee or director of the Company who has made a Protected Disclosure under this Policy.
- e) **“Company”** means Assam Gas Company Limited.
- f) **“Competent Authority”** means (i) The Chairman of the Audit Committee in case the Subject is a Board level employee of the company and (ii) The Managing Director of the Company in case the Subject is below Board level employee 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.
- g) **“Director”** means every Director of the Company, past or present.

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- h) **“Disciplinary Action”** means any action that can be taken on the completion of/ during the investigation proceedings, including but not limited to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- i) **“Employee”** means every employee of the company whether regular or on contract, on deputation to / from the Company including the officers, management staff and directors in employment of the company
- j) **“Improper Activity”**- means any activity by an employee 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 abuse of authority, breach of contract, manipulation of company data, pilferage of confidential/proprietary information, criminal offence, corruption, malfeasance, bribery, theft, conversion or misuse of the Company’s property, fraudulent claim, fraud or willful omission to perform the duty, or that is economically wasteful or involving gross misconduct, incompetence or gross inefficiency.

Activities which have no relation to the working of the Company and are purely of personal nature are specifically excluded from the definition of Improper Activity.

- k) **“Investigate”**- with its grammatical variations means the investigation of a Complaint conducted by investigative machinery pursuant to this policy.
- l) **“Investigator(s)”** means those person(s) authorized, appointed, consulted or approached by the Competent Authority in connection with conducting investigation into a Complaint.
- m) **“Motivated Disclosure”**- A Disclosure shall be deemed to be motivated if it is found to be deliberately false or motivated by revenge, enmity or mischief or other extraneous considerations.
- n) **“The Mechanism/Policy”** means the VIGIL MECHANISM OF ASSAM GAS COMPANY LIMITED.
- o) **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical activity or behavior on the part of employees of the company.
- p) **“Subject”** means an employee against or in relation to whom a protected disclosure has been made or evidence gathered during the course of investigation.
- q) **“Victimisation”** means any act by which the Whistle Blower is victimized for making a Protected Disclosure in good faith.

## **4.0 ELIGIBILITY**

### **4.1. Internal**

- 4.1.1. All employees and directors of the Company are eligible to make “Protected Disclosures” under the Mechanism. The Protected Disclosures may be in relation to matters concerning the company.
- 4.1.2. **External:** A Whistle Blower may be anyone outside the organization who discloses any illegal, immoral or illegitimate practices solely in matters concerning the affairs of the company.

The Complainant/Whistle Blower must disclose sufficient facts about the existence of Improper Activity by an employee of the Company in the Complaint. Anonymous complaints will not be considered. As a covering letter, the Complainant must use Disclosure Form – II annexed with this Policy document.

## **5.0 SCOPE**

- 5.1 This Mechanism is a code for ethical practice of the company. The Whistle Blower’s role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- 5.2 Whistle Blower should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Competent Authority or the investigators. Protective Disclosure will be appropriately dealt with by the Competent Authority.

## **6.0 REPORTABLE MATTERS**

- 6.1 The Mechanism covers Improper Activity, malpractices and events which have taken place/suspected to take place involving:
- i) Abuse of authority
  - ii) Breach of Contract
  - iii) Breach of Companies code of conduct or Rules, if any.
  - iv) Breach of Integrity and Ethics.
  - v) Negligence causing substantial and specific danger to public health and safety.
  - vi) Manipulation of Company/data records with malafide intentions.
  - vii) Financial irregularities, including fraud or suspected fraud, bribery.’
  - viii) Pilferage of confidential/proprietary information.
  - ix) Deliberate violation of law/ regulation and illegality.
  - x) Corruption.

- xi) Wastage/misappropriation of company funds/assets.
- xii) Sexual harassment.
- xiii) Danger to Health, Safety or environmental issues.
- xiv) Any other unethical, biased, favoured, imprudent event.
- xv) Any offence of Material Nature.

## **7.0 DISQUALIFICATION OF WHISTLE BLOWERS**

- 7.1. While it is 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.
- 7.2. Protection under this Mechanism would not mean from disciplinary action arising out of false or bogus allegations made by a Whistle-blower knowing it to be false or bogus or with a mala fide intention.
- 7.3. Whistle-blower who makes three or more Protected Disclosures, which have been subsequently found to be mala-fide, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy unless otherwise allowed by the Competent Authority. In respect of such Whistle-blowers, the Company/Competent Authority would reserve the right to take/recommend appropriate disciplinary action.

## **8.0 PROCEDURE FOR PROTECTED DISCLOSURE**

- 8.1 Employees can make protected disclosures to the Competent Authority as soon as possible but generally after becoming aware of the same.
- 8.2 All Protected Disclosures against below Board Level employees should be addressed to Managing Director of the company in a closed sealed envelope and should be superscribed “Protected Disclosure” at the following address:
  - Managing Director
  - Assam Gas Company Ltd.
  - P.O. Duliajan
  - Dist : Dibrugarh Assam 786 602
- 8.3 All Protected Disclosures against Board Level officers should be addressed to Chairman, Audit Committee in a closed sealed envelope and should be superscribed “Protected Disclosure” at the following address :
  - The Chairman, Audit Committee
  - C/O Company Secretary
  - Assam Gas Company Ltd.
  - P.O. Duliajan
  - Dist : Dibrugarh Assam 786 602

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- 8.4 If a Protected Disclosure is received by any other employee of the company, the same should be forwarded to the Competent Authority. Appropriate care must be exercised to keep the identity of the whistle blower confidential.
- 8.5 All Protected Disclosures received by the Managing Director shall be opened only by him. He shall detach the covering letter which would be kept under safe custody and may nominate / appoint / consult the Investigating Officer for screening and further investigation.
- 8.6 The whistle blower must disclose his / her identity [name, employee code number, location, etc] in the covering letter forwarding such protected disclosure. Unless otherwise decided by the competent authority, anonymous or pseudonymous disclosures shall not be entertained.
- 8.7 The Protected disclosure shall be in a sealed envelope and addressed to the Competent Authority. If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, the Whistle Blower may send the protected disclosure in a sealed envelope directly to the Audit Committee of the Board of Directors through the Company Secretary.
- 8.8 The Protected Disclosure should either be typed or written in legible handwriting in English, Hindi or Assamese and should provide a clear understanding of the Improper Activity involved or issue/concern raised. The reporting should be factual and not speculative in nature. It must contain as much specific information as possible and should help in initial assessment and investigation.
- 8.9 The Whistle Blower may not be an investigator and hence is not expected to have conducted any independent investigation prior to making the protected disclosure. The Protected disclosure/ Whistle Blower is, however, expected to have knowledge of the facts on which the Protected disclosure is based and must, therefore, disclose sufficient facts about the existence of Improper Activity by an employee of the Company in the Protected disclosure. The Whistle Blower must also disclose that the Protected Disclosure is not, on the face of it, motivated, for which the Whistle Blower shall disclose the relationship or dealings of the Whistle Blower with Subject(s) in the Protected disclosure.
- 8.10 The Company will not entertain or enquire into any Improper Activity which is the subject matter of a domestic, government, judicial or magisterial inquiry.
- 8.11 In cases relating to external whistle blowers as mentioned in Clause 4.1.2., the Competent Authority shall be the Audit Committee. All Disclosures, whether Internal or External received by the Chairman, Audit Committee shall be opened only by him. He shall detach the covering letter which would be kept under safe custody and may nominate / appoint / consult the Investigating Officer for screening and further investigation. The decision on admitting/ rejecting disclosures made by an external whistle blower shall be made by the Audit Committee and the decision of the Audit Committee shall be final. Any

frivolous/ malafide intent complaint shall not be entertained by the Audit Committee. Anonymous complaints will not be considered by any Competent Authority.

## **9.0 INVESTIGATION**

- 9.1 All Protected Disclosures will be recorded by the person nominated by Competent Authority or by himself for screening and investigation. If initial enquiries indicate that the concern has no basis, or it is not a matter to be pursued under this policy, it may be dismissed at this stage with the approval of the competent authority and the decision along with reason for such a decision will be documented.
- 9.2 On receipt of the Protected Disclosure, the Competent Authority shall detach the covering letter and verify/ confirm the authenticity of the Whistle Blower.
- 9.3 If the Competent Authority is prima facie satisfied that the Protected disclosure warrants investigation of the alleged Improper Activity, Competent Authority will direct appropriate investigating machinery to investigate the Protected Disclosure. The Competent Authority may at its discretion consider engaging, consulting, involving any investigators for the purpose of investigation. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour and observance of professional standards.
- 9.4 The decision to conduct an investigation by the Competent Authority is by itself not to be construed as an accusation and is to be treated as a neutral fact- finding process. The outcome of the investigation may or may not support the conclusion of the whistle blower that an improper act was committed.
- 9.5 The investigation shall be fair and objective, and shall be taken by a person or persons who have no conflict of interest either with the Whistle Blower or with the Subject(s).
- 9.6 All employees of the Company are duty bound to co- operate with the investigator(s) to the extent that their cooperation will not compromise self-incrimination protection afforded under the law.
- 9.7 The identity of the subjects will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 9.8 Subject(s) will normally be informed of the allegations at the outset of a formal investigation, and will have opportunity for inputs during investigation.
- 9.9 Subjects shall have a duty to cooperate with competent authority or any of the investigators during investigation to the extent that such cooperation will not compromise self incrimination protections available under the applicable laws.
- 9.10 Subjects have the right to consult with a person or persons of their choice, other than the investigators and/or members of the Audit Committee and/or whistle blower. Subjects shall be free at any time to engage counsel at their own cost.

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- 9.11 Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the subject.
- 9.12 Unless there is compelling reasons not to do so, Subject will be given opportunity to respond to material findings contained in the investigation report. No allegation of wrongdoing against a subject shall be maintainable unless there is good evidence in support of the allegation.
- 9.13 The investigation shall be completed within 45 days (forty five) days or such extended period as the Competent Authority may permit for reasons to be recorded. The period fixed for the investigation is the essence, since action(s), if any, to be taken on the Protected Disclosure will depend on investigation, and speedy action is the essence of this Policy.
- 9.14 The investigator(s) will submit a report on the investigation to the Competent Authority, which shall mark the completion of the investigation, unless the Competent Authority requires any further investigation into any specific charge(s) or aspect(s), in which event the Competent Authority will specify the charge(s) or aspect(s) on which the further investigation is to be undertaken, and will fix the time within which the further investigation will be completed.
- 9.15 Subject(s) has/ have the right to be informed of the outcome of the investigation. If allegations are not sustained the subject may be consulted as to whether public disclosure of the investigation results would be in the best interests of the subject and the company.
- 9.16 In case the Protected Disclosure is proved, the Competent Authority shall take such Disciplinary Action as it may think appropriate and take preventive measures to avoid recurrence of such improper activity.
- 9.17 After completion of the investigation, the Whistle Blower may be informed of the major findings and action taken / proposed to be taken against the subject in the absence of over-riding legal or public interest against such disclosure.
- 9.18 In cases where the Whistle Blower is not satisfied with the findings of the investigation or the action taken, he / she may approach the Chairman of the Audit Committee through the Company Secretary within 30 days of decision / intimation who will deal with the matter as he / she deems it to be proper.

### **10.0 PROTECTION OF WHISTLE BLOWER**

- 10.1 A Whistle Blower of a Protected Disclosure shall be entitled to the following Protections:
- (i) To the extent possible within the limitations of the law and requirements of the investigation, the identity of the Whistle Blower shall be kept



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confidential by the Competent Authority, and shall not be disclosed unless such disclosure is necessary for proper investigation. Any such disclosure, if made, for the purpose of proper investigation shall carry with it a caveat of secrecy and non disclosure by the recipient, so that any further unauthorized disclosure by such person of the identity of the Whistle Blower shall constitute a breach of the Code of Conduct applicable to such person: and

(ii) Protection of the Whistle Blower against victimization.

10.2 Whistle Blower shall not be unfairly treated for his / her having reported a Protected Disclosure under this Policy. Complete protection will be given to Whistle Blowers against any unfair practice like retaliation, threat, intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion, direct or indirect use of authority to obstruct Whistle Blower's right to continue to perform his/her duties / functions including making further protected Disclosure. If a Whistle Blower is required to give evidence in criminal or disciplinary proceedings in the matter, the Company will arrange for the Whistle Blower to receive advice about the procedure.

10.3 Any violation of the above clause entitles the Whistle Blower to approach the Chairman of the Audit Committee.

10.4 Any other employee of director assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

### **11.0 INVESTIGATORS**

11.1 Investigators are required to conduct a process towards fact finding and analysis and follow the principles of natural justice.

11.2 Technical and other resources may be drawn upon as necessary to augment the investigation. All investigators shall be independent and unbiased. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour and observance of legal and professional standards.

11.3 Investigation will be launched only after a preliminary review which establishes that :

- (a) The alleged act constitutes an improper or unethical activity or conduct, and
- (b) Either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

### **12.0 GRIEVANCES**

12.1 If the Whistle Blower or Subject feels aggrieved with the action taken by the Competent Authority, he/ she may make a representation in writing of his or her

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grievance to the Chairman of the Audit Committee, who shall take or direct such action on the representation as he shall deem fit. The decision of the Chairman of the Audit Committee shall be final and binding on the Whistle Blower and on the Subject(s) under this Policy.

### **13.0 ACTION**

- 13.1 If the Competent Authority is of the opinion that the investigation discloses the existence of Improper Activity which is an offence punishable in law, the Competent Authority may himself or direct the concerned Authority to report the offence(s) to the appropriate law enforcement agency for investigation and/ or action.
- 13.2 If the Competent Authority is of the opinion that the investigation discloses the existence of Improper Activity which warrants disciplinary action against Subject(s) or any other person(s), the Competent Authority shall take or report the matter to the concerned Disciplinary Authority for appropriate disciplinary action.
- 13.3 If the Competent Authority is satisfied that the Protected disclosure is false, motivated or vexatious, the Competent Authority may report the matter to the concerned Disciplinary Authority for appropriate disciplinary action against Whistle Blower.
- 13.4 A Whistle Blower who makes three Protected disclosures, which have been subsequently found to be malafide, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this Policy.

### **14.0 REPORTING & REVIEW**

- 14.1 The Competent Authority shall submit a quarterly report of the Protected Disclosures, of the investigation conducted, and of the action taken to the Audit Committee, who shall have power to review any action or decision taken by the Competent Authority.
- 14.2 All employees of the Company shall abide by, obey and be bound to implement any decision taken or direction given by the Audit Committee under or pursuant to this policy.

### **15.0 NOTIFICATION**

- 15.1 All departmental heads are required to notify and communicate the existence and contents of this policy to the employees of their department. Every departmental head shall submit a certificate duly signed by him to the Compliance Officer that this policy was notified to each employees of his department. The new employees shall be informed about the policy by the HR&A department and statement in this regard should be periodically submitted to the Compliance

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Officer. This policy as amended from time to time shall be made available at the Web site of the Company.

**16.0 ANNUAL AFFIRMATION**

16.1 The Managing Director or his designated officer shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personal action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

**17.0 RETENTION OF DOCUMENTS**

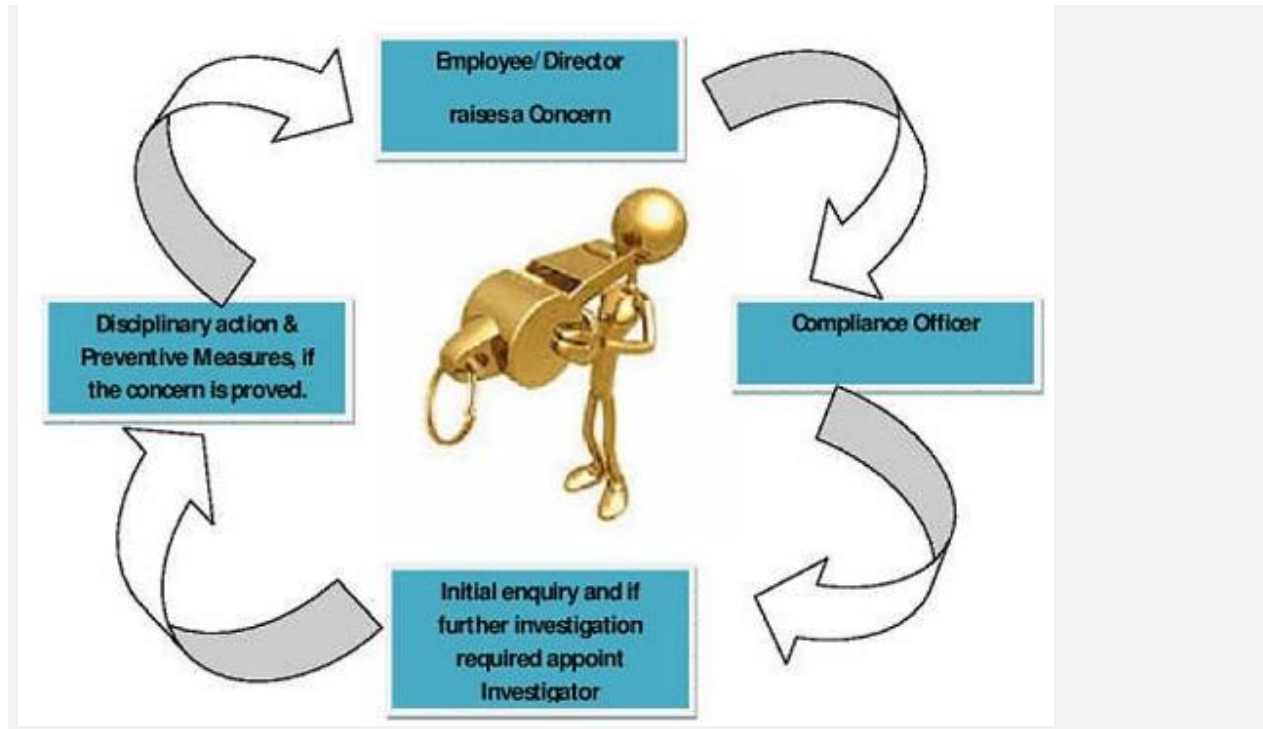
17.1 All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the company for a minimum period of five years.

**18.0 AMENDMENT**

18.1 The Company reserves the right to amend or modify this policy in whole or in part at any time without assigning any reasons whatsoever. However, no such amendment or modifications will be binding on the employees and directors unless the same is notified to the employees and directors in writing.

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### Process of Whistle- Blowing Mechanism



Disclosure Form- I  
(Under Whistle Blower Policy)

1. Reporter's Contact Information:

Name of the Employee:

Employee Number:

Designation:

Email id of the Employee:

Communication address:

Contact No.:

2. Details of Violation

Subject matter which is reported:

Name of the person/  
Event focused on

Brief about the protected disclosure

List of supporting documents  
If any

Date

Signature.....

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Disclosure Form- II  
(Under Whistle Blower Policy)  
*for External Complainants only*

1. Reporter's Contact Information :

Name of the Complainant :

Identification Proof : attached self attested copy Adhar / PAN

Profession :

Qualification :

Email id of the Complainant :

Communication address:

Contact No.:

2. Details of Alleged Violation

Subject matter which is reported : Brief statement  
Details in separate sheets

List of supporting documents if any :

Total no of pages submitted :

Date

Signature.....