



# **Energy Development Company Limited**

## **Vigil Mechanism / Whistle Blower Policy**

### **1. PREAMBLE**

All listed companies are mandatorily required to establish a mechanism called "Whistle Blower Policy" for the Directors and employees to report genuine concerns or grievances, instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct.

The Company has adopted a Code of Conduct for Directors and Senior Management ("the Code"), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel.

Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company. 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 exceptional cases.

### **2. POLICY**

In compliance of the above requirements, Energy Development Company Limited (EDCL), being listed at BSE and NSE, has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible, and secure whistle blowing/vigil mechanism.

### **3. OBJECTIVES**

The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and employees to report genuine concern or grievances about unethical behaviour, actual/suspected Fraud or violation of the Code of Conduct or Policy. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns or grievances about suspected misconduct to come, forward and express these concerns or grievances without fear of punishment or unfair treatment.

The mechanism provides for adequate safeguards against victimization of Directors and employees to avail of the mechanism and also provide direct access to the 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 about a personal situation.



#### 4. DEFINITIONS

- **“Protected Disclosure”** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity under the title “Scope of the Policy” with respect to the Company. Protected Disclosures should be factual and not speculative in nature.
- **“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 under this Policy.
- **“Whistle Blower”** is a Director or employee who makes a Protected Disclosure under this Policy and also referred to as complainant in this Policy.
- **“Alleged wrongful conduct”** shall mean violation of law, infringement of company’s Rules, misappropriation of money, actual/suspected fraud, substantial and specific danger to public health and safety or abuse authority.
- **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance with provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- **“Employee”** means every employee of the company (whether working in India or abroad)
- **“Director”** means a Director on the board of the Company whether whole-time or otherwise.
- **“Board”** means the Board of Directors of the Company.
- **“Company”** means Energy Development Company Limited and all its offices.
- **“Code”** means Code of Conduct for Directors and Senior Management adopted by the Company.
- **“Employee”** means all the present employees and the Whole-time Director of the Company.
- **“Disciplinary / Corrective Actions”** means actions or measures taken against the subject by the vigilant Officer and / or the Audit Committee which shall be as per the prevailing service rules of the Company and Civil and / or Criminal Laws as may be applicable.
- **“Policy or This Policy”** means, “Whistle Blower Policy”.



## **5. SCOPE**

The Policy is an extension of the Code of Conduct for Directors and Senior Management and covers disclosure of any unethical and improper or malpractices and events which have taken place / suspected to take place involving:

1. Breach of the Company's Code of Conduct;
2. Breach of Business Integrity and Ethics;
3. Breach of terms and conditions of employment and rules thereof;
4. Intentional Financial irregularities, including fraud, or suspected fraud;
5. Deliberate violation of laws / regulations;
6. Gross or Wilful Negligence causing substantial and specific danger to health, safety and environment;
7. Manipulation of company data / records;
8. Pilferage of confidential / propriety information;
9. Gross wastage / misappropriation of Company Funds/assets.

## **5A. REPORT OF LEAK OR SUSPECTED LEAKAGE OF UNPUBLISHED PRICE SENSITIVE INFORMATION (UPSI)**

The employees, if any, aware of any instance of leak of or suspected leakage of Unpublished Price Sensitive Information (UPSI) must report to the Compliance Officer or any other authority as provided hereunder this policy, and the names and identity of those reporting employees/ persons shall be kept secret and will be fully protected by the Company.

## **6. ELIGIBILITY**

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

## **7. PROCEDURE**

- a) All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
- b) In respect of all other Protected Disclosures, Executive Director of the Company should be addressed.
- c) The contact details of the Chairperson of the Audit Committee & Executive Director are available on the Company's website.
- d) If a Protected Disclosure is received by any executive of the Company other than Chairman of Audit Committee or Executive Director, the same should be forwarded to the Chairman of the Audit Committee or the Executive Director for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.



- e) All Protected Disclosures should be reported not later than 30 days after the Complainant / Whistle Blower becomes aware of the same and in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower. However, this period of 30 days may be extended to 60 days in the interest of Company. It should be submitted under a covering letter signed by the Complainant / Whistle Blower in a closed and secured envelope and should be super scribed as "Protected Disclosure under the Whistle Blower Policy" or sent through e-mail with the subject "Protected Disclosure under the Whistle Blower Policy". If the complaint is not super scribed and closed as mentioned above, the Protected Disclosure will be dealt with as if a normal disclosure.
- f) The Whistle Blower may disclose his / her identity in the covering letter forwarding such Protected Disclosure. In order to protect the identity of the complainant, any acknowledgement may not be issued to the complainants and they are advised not to write their name / address on the envelope. Anonymous/Pseudonymous disclosures will not be entertained.
- g) Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

## **8. INVESTIGATION**

All Protected Disclosures under this Policy will be recorded and thoroughly investigated by the Audit Committee / Executive Director who may consider involving any Investigator for the purpose of investigation.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee, if any, and/ or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure

## **9. DECISION AND REPORTING**

If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee / the Executive Director shall recommend to the Board to take such disciplinary or corrective action as it may deem fit. Any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall be adhered to by the Subject.



## **10. REPORT OF COMPLAINT**

A report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and / or the Board.

## **11. ACTIONS AGAINST FALSE ALLEGATION**

A Complainant / Whistle Blower who makes false allegations or unethical and improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or to the Audit Committee, shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

## **12. CONFIDENTIALITY**

The Complainant / Whistle Blower, Members of Audit Committee, Executive Director, the Subject and every person involved in the process shall maintain confidentiality of the matters under this during the pendency of case and discuss only to the extent with those persons as required under this Policy for completing the process of investigation and keep the papers in safe custody.

## **13. PROTECTION**

No unfair treatment will be meted out to a Complainant / 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 adopted against Complainant / Whistle Blowers. Complete protection will, therefore, be given to Complainant / 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 Complainant's / 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 Complainant / Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Complainant / 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 Complainant / 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 Board.

The identity of the Complainant / Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the Complainant Whistle Blower 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 extent regulations against the person or agency making such disclosure. The identity of the Complainant /



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 Complainant / Whistle Blower.

The Board may at its discretion recommend suitable reward to the Whistle Blower.

#### **14. DISQUALIFICATIONS**

While it will be ensured that genuine Whistle Blowers are accorded complete protection, any abuse of this protection will warrant disciplinary action. Whistle Blowers who make any Protected Disclosures, which have been subsequently found to be mala-fide, frivolous or malicious, shall be liable to be prosecuted as per the Rules of the Company / law of Land.

#### **15. COMMUNICATION**

Directors and Executives / Employees shall be informed of the Policy by publishing on the notice board and the website of the Company.

#### **16. 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 5 (five) years or such other period as specified by any other law in force, whichever is more.

#### **17. AMENDMENT**

The Company reserves its right to amend or modify this Policy in whole or in part thereof, at any time without assigning any reason whatsoever.

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Effective from 01.04.2019