

WHISTLE BLOWER / VIGIL MECHANISM POLICY

I. PREAMBLE

Section 177(9) of the Companies Act, 2013 effective from April 1, 2014 and Clause 49 (amended) of the Listing Agreement between listed companies and the Stock Exchanges effective from October 1, 2014, inter alia, provides for a mandatory requirement for all listed companies to establish a vigil mechanism called 'Whistle Blower Policy' for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct or ethics policy.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, this policy is formulated to provide opportunity to employees to access in good faith, to the Audit Committee in case they observe unethical and improper practices or any other wrongful conduct in the Company and to prohibit managerial personnel from taking any adverse personnel action against those employees.

II. DEFINITIONS

"Adverse Personnel Action" means an employment-related act or decision or a failure to take appropriate action by managerial personnel which may affect the employee's employment, including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges.

"Alleged Wrongful Conduct" shall mean violation of law, infringement of Company's Code of Conduct or ethic policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

"Audit Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with provisions of Section 177 of Companies Act, 2013 read with Clause 49 (amended) of Listing Agreement entered into by the Company with Stock Exchanges.

"Company" means, "BNK Capital Markets Limited."

"Compliance Officer" means a person so designated by the Company.

"Employee" means every employee of the Company (whether working in India or abroad), including the Directors in employment of the Company.

"Good Faith" means an employee shall be deemed to be communicating in 'good faith' if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew

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or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

“Managerial Personnel” shall include all Executive at the level of Manager and above, who has authority to make or materially influence significant personnel decisions.

“Policy or This Policy” means, “Whistle Blower Policy.”

“Protected Disclosure” means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

“Unethical and improper practices” shall mean –

- a) An act which does not conform to approved standard of social and professional behaviour;
- b) An act which leads to unethical business practices;
- c) Improper or unethical conduct;
- d) Breach of etiquette or morally offensive behaviour, etc.

“Whistle Blower” shall means an employee of the Company who makes Protected Disclosure in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or Managing Director and in exceptional cases to the Chairman of Audit Committee in writing.

III. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013 and/or SEBI Act and/or any other SEBI Regulation(s) as amended from time to time.

IV. SCOPE

This Policy is an extension of the Company’s Code of Conduct. 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. Moreover, The Whistle Blower’s do not have right to participate in any investigation activity until requested by the Chairman of Audit Committee.

V. APPLICABILITY/ ELIGIBILITY

This policy applies to all permanent employees and directors of the Company to make Protected Disclosure under the policy.

VI. DISQUALIFICATION

1. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment and any abuse of this protection will warrant disciplinary action.

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2. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations and allegation made in retaliation by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.
3. Whistle Blowers, who make any protected disclosures, which have been subsequently found to be *mala fide* or malicious or Whistle Blowers who make 3 (three) or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.

VII. GUIDELINES

1. Internal Policy & Protection under Policy

This Policy is an internal policy on Protected Disclosure by employees of any unethical and improper practices or wrongful conduct and access to the Head of Department or Managing Director and in exceptional cases access to the Chairman of Audit Committee.

This Policy prohibits the Company to take any adverse personnel action against its employees for disclosing in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or Managing Director or to the Chairman of the Audit Committee. Any employee against whom any adverse personnel action has been taken due to his Protected Disclosure of information under this policy may approach the Audit Committee. Furthermore, if any of the members of the Audit Committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.

2. False Allegation & Legitimate Employment Action

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

3. Disclosure & Maintenance of Confidentiality

An employee who observes or notices any unethical & improper practices or alleged wrongful conduct in the Company may make a Protected Disclosure in writing to the Head of Department or Managing Director and in exceptional cases to the Chairman of the Audit Committee. Confidentiality of whistle blower shall be maintained to the greatest extent possible.

4. Procedures

Any employee who observes any unethical & improper practices or alleged wrongful conduct shall make Protected Disclosure to the Head of Department or in case it involves Managerial Personnel to the Managing Director and in exceptional cases to the Audit Committee as soon as possible but not later than 45 consecutive calendar days after becoming aware of the same.

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The Contact details of the Chairman of the Audit Committee are as under:

(Prabir Chakravarti)
(Siddharth Flat No. 2W
42A, Diamond Harbour Road
Kolkata - 700 038)
E-mail id : prabirchakravarti@gmail.com

The Departmental Head shall immediately forward Whistle Blower Report to the Managing Director of the Company. The Managing Director may inquire in respect of the Whistle Blower Report and after preliminary inquiry, if required, shall report the same to the Audit Committee.

Audit Committee shall appropriately and expeditiously investigate all whistle blower reports received. In this regard, Audit Committee, if the circumstances so suggest, may appoint a senior executive or a committee of managerial personnel to investigate into the matter and prescribe the scope and time limit therefore.

Audit Committee shall have right to outline detailed procedure for an investigation.

Where the Audit Committee has designated a senior executive or a committee of managerial personnel for investigation, they shall mandatorily adhere to scope and procedure outlined by Audit Committee for investigation.

The Audit Committee or officer or committee of managerial personnel, as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this policy.

A report shall be prepared after completion of investigation and the Audit Committee shall consider the same.

After considering the report, the Audit Committee shall determine the cause of alleged Adverse Personnel action and may order for remedies which may inter-alia include:

- a) Order for an injunction to restrain continuous violation of this policy;
- b) Reinstatement of the employee to the same position or to an equivalent position;
- c) Order for compensation for lost wages, remuneration or any other benefits, etc.

The decision of Audit Committee shall be final and binding.

If and when the Audit Committee is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then the Audit Committee may -

- a) recommend to Board to reprimand, take disciplinary action, impose penalty / punishment order recovery when any alleged unethical & improper practice or wrongful conduct of any employee is proved.
- b) recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

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5. Notification

All departmental heads are required to notify & 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 Personnel department and statement in this regard should be periodically submitted to the Compliance Officer.

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

6. Annual Affirmation

The Company 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 personnel action.

The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company and in the Board's Report.

This Policy is duly approved by the Board on 30th January, 2015 and shall be effective from that day itself.

For & on behalf of the Board of Directors
BNK Capital Markets Limited

Sd/-

Ajit Khandelwal
Managing Director