

**INDIA POWER CORPORATION (BODHGAYA) LIMITED
VIGIL MECHANISM
(WHISTLE BLOWER POLICY)**

Preamble	The Vigil Mechanism, through this Whistle Blower Policy has been formulated in accordance with the requirements of Section 177 of the Companies Act, 2013, with a view to provide its directors and employees a mechanism to approach the Chairperson of Audit Committee to raise genuine concerns within the organization rather than overlooking the concerns or dealing them externally.
Applicability	This policy applies to all permanent employees and directors of the Company. This policy shall extend to ex-employees upto 30 days after leaving the organization.
Scope of Policy	<p>This Policy aims at providing avenues for employees and directors to raise concerns (hereinafter referred to as 'concerns') about suspected unethical behaviour or improper practices or wrongful conduct. Such concerns could be any of the following in nature:</p> <ol style="list-style-type: none"> a) Manipulation of Company data/ records stored physically or electronically b) A substantial and specific danger to public health and safety c) An abuse of authority d) Leaking confidential / proprietary information e) Violation of any law or regulations f) Gross wastage or misappropriation of Company resources g) Activities violating policies including Code of Conduct h) Forgery or alteration of documents i) Corruption/Bribery j) Misappropriation of funds / assets k) Financial Statement Fraud l) Actual or suspected Fraud <p>The above list is only illustrative and should not be considered as exhaustive. Whether a particular issue raised by a director/employee is a genuine concern shall be decided by the Chairperson of the Audit Committee.</p>
Definitions	<p>In this Policy, the following words and expressions, unless the context otherwise requires, shall have the following meanings ascribed to them:</p> <p>Board or Board of Directors means the Board of Directors of the Company.</p> <p>Company means India Power Corporation (Bodhgaya) Limited.</p> <p>Complaint means a written concern on issues including but not limited to fraud, corruption, theft, embezzlement or moral turpitude.</p> <p>Complainant means an Employee or Director of the Company who reports to employer misconduct or wrongdoing within the Company.</p>
Interpretations	<p>This Policy shall be interpreted as follows:</p> <ol style="list-style-type: none"> a) Terms that have not been defined herein shall have the same meaning assigned to them in the Companies Act, 2013, as amended from time to time. b) This Policy can be modified or amended only by Board of Directors of the Company; and c) Unless the context otherwise requires, all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders and words importing the singular include the plural and vice versa.
Compliant Process	<p>The Audit Committee of the Company shall oversee the vigil mechanism and shall also provide adequate safeguards against victimisation of directors and employees who avail of the mechanism. They shall also have direct access to the Chairperson of the Audit Committee, if the Audit Committee thinks fit and proper. If the Chairperson of Audit Committee is not in position due to any reason, then the other Independent Directors of the Audit Committee will nominate one of themselves to discharge the functions of the Chairperson of Audit Committee, under this Mechanism.</p> <p>Any director/employee who observes any kind of wrongful conduct/unethical or illegal practice shall be required to follow the following procedure to report the same to the Chairperson of Audit Committee:</p> <ol style="list-style-type: none"> i) intimate the concern addressing the Chairperson of Audit Committee in writing with a covering letter. ii) furnish details of such case which should be factual and not speculative, along with the evidence, to enable the audit committee to carry out proper assessment of the concern. iii) provide the details such as the background, grounds of raising the concern, documentary evidence and such other details as may be available. Further, the director/employee raising

	<p>the concern shall be required to reveal his/her identity in the covering letter to facilitate proper investigation.</p> <p>In respect of complaint against the Chairperson of Audit Committee, it should be addressed to the other Independent Directors of the Audit Committee, who shall discharge the functions of the Chairperson of Audit Committee under this mechanism.</p>
Investigation	<p>On receipt of adequate details, the Chairperson of the Audit Committee shall carry out thorough investigation expeditiously in the manner stated hereunder:</p> <ul style="list-style-type: none"> i) The Chairperson of the Audit Committee may delegate responsibility for conducting the investigation process. Further, Chairperson of the Audit Committee may call for any information, documents as well as may carry out the examination of such director/employee as it may consider appropriate for the purpose of carrying out the investigation under the mechanism. ii) The person against or in relation to whom the concern has been raised, will normally be informed of the allegations at the outset of a formal investigation and will have opportunities for providing his/her inputs during the investigation. He/she shall not interfere with the investigation and shall co-operate with the investigator. iii) Based on such investigation, Chairperson of the Audit Committee shall determine the cause of action and order remedial measures which shall normally be taken within 45 days of the date of receipt of the concern the Chairperson of the Audit Committee. The Audit Committee shall ensure complete fairness, objectivity, thoroughness etc. iv) In case any director/employee feels that he/she has been victimised in employment related matters because of reporting any concern by availing this mechanism, he/she can submit a grievance to the Chairperson of Audit Committee.
Confidentiality	<p>The Company will treat all disclosures under this policy in a sensitive manner and will endeavour to keep identity of the complainant confidential.</p> <p>However, the investigation process may inevitably reveal source of information and the complainant may need to provide a statement which cannot be kept confidential if legal proceedings arise.</p>
Untrue / Malicious / Vexatious Allegations	<p>Protection under this policy would not mean protection from disciplinary action arising out of false or bogus allegations made by the complainant, knowing it to be false or bogus or with a malafide intention.</p> <p>In case of repeated frivolous complaints being filed by a director or an employee, the Chairperson of Audit Committee may take suitable action against the concerned director or employee, including reprimand.</p>
Concerns not covered under the policy	<p>Career related or other personal grievances are excluded from the policy. Any matter already discussed or in the process of being addressed pursuant to any disciplinary or other procedures of the Company cannot be addressed under the policy.</p> <p>Business and financial decisions taken by management cannot be questioned under the policy.</p>
Amendment	<p>The Company reserves its right to amend or modify this policy in whole or in part at any time without assigning any reason whatsoever, under formal approval of the Board.</p>

**Established by the Board of Directors vide Resolution passed on May 9, 2016.
Effective Date: May 9, 2016**

**INDIA POWER CORPORATION (BODHGAYA) LIMITED
(NOMINATION AND REMUNERATION POLICY)**

PREFACE

Human Resource occupies an important place in the organisation's growth. India Power Corporation (Bodhgaya) Limited ("the Company") has been built on the active assistance, commitment, dedication, hard work and loyalty of its employees. The Board is committed to transparent, fair and sound policies for determining appropriate remuneration at all levels of the Company.

The Company's Remuneration Strategy, whilst focusing on remuneration and related aspects of performance management, is aligned with and reinforces the employee value proposition of a superior quality of work life, that includes an enabling work environment, an empowering and engaging work culture and opportunities to learn and grow.

The Compensation approach endeavours to align each employee with the Company's goals.

VISION

Effective people management for creating competitive advantage for all stakeholders and creating a transparent system for determining the appropriate level of remuneration to Directors, Key Managerial Personnel (KMP) and other Senior Management Employees (SMEs).

OBJECTIVE

- To attract, nurture and retain the best talent by inculcating a culture of learning, performing, developing creativity and teamwork;
- To ensure reasonable remuneration to the Directors, KMP and other SMEs so as to motivate them to run the Company successfully;
- To ensure that the remuneration is proportionate to the level of performance and meets appropriate performance benchmarks.

MONITORING OF THE POLICY

The implementation of the Nomination and Remuneration Policy shall be monitored by the Nomination and Remuneration Committee of the Board constituted as per the provisions of the Companies Act, 2013.

PURPOSE OF THE COMMITTEE

- To determine and facilitate the Board by recommending appointment, re-appointment, resignation of Independent, Executive and Non-Executive Directors as well as KMP and other SMEs of the Company;
- To assist the Board in determining reasonable remuneration payable to the Directors, KMP and other SMEs of the Company;
- To formulate criteria for determining qualification, positive attributes and independence of directors.

ROLES AND RESPONSIBILITIES OF THE COMMITTEE

Nomination

The Nomination and Remuneration Committee shall identify potential candidates with appropriate qualification, knowledge, expertise and experience based on the recommendations of Director(s) as may be decided by the Committee from time to time.

When considering candidates, the Committee strives to achieve a balance of knowledge, experience and accomplishment such that the Company reflects a diversity of talent, age, skill, expertise and perspective. While evaluating a Director, KMP or other SMEs for recommending to the Board, the Committee shall take into consideration various criteria that are in the best interests of the Company and its stakeholders, some of which are given hereunder:

- Educational qualifications and experience of the candidate so as to be in terms with the applicable laws, rules, regulations as laid down in the Companies Act, 2013, listing agreement and other applicable acts;
- Willingness of a person to act as such;
- The candidate should reflect the highest standards of integrity, ethics and character, and value such qualities in other;
- Demonstrate the capacity and desire to represent, fairly and equally, the best interests of the Company's stakeholders as a whole;
- Access the present as well as future needs of the Company. Further, while nominating Directors, it must be ensured that the Board is structured in a way that:

- it has proper understanding of and expertise to deal with the present as well as emerging business issues
- exercises independent judgement
- encourage enhanced performance of the business as a whole.

Accordingly, the process of the Committee for identifying nominees shall reflect the Company's practice of re-nominating incumbent directors and employees who continue to satisfy the Committee's criteria, whom the Committee believes to continue to make important contributions towards the growth, reputation and well being of the Company as a whole and who consents to continue their service with the Company.

Further, in addition to the above criteria, the appointment of Independent Directors of the Company shall also be guided by the terms and conditions in compliance with Schedule IV to the Companies Act, 2013 including the following.

- The appointment of Independent Directors shall be independent of the company management. While selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively;
- The appointment of Independent Directors shall be approved at the meeting of the Shareholders;
- The appointment of Independent Directors shall be formalised through a letter of appointment stating the requisite details as per the requirements of Schedule IV to the Companies Act, 2013;
- The Independent Directors shall be appointed for a fixed term of upto five years or such lesser term as may be decided mutually between the Board and the Directors and shall be eligible for re-appointment for a further term of upto five years on passing a special resolution by the Company. Further, no Independent Director shall hold office for more than two consecutive terms. However, they shall be eligible for re-appointment after the expiration of cooling period of three years of ceasing to become an Independent Director;
- The Independent Directors shall be responsible for complying with the duties as specified under Section 166 of the Companies Act, 2013. Further, their liabilities shall also be limited to the respective provisions of the Companies, 2013 and Rules made there under;
- Independent Directors shall be expected to ensure compliance with the Code of Conduct, if any laid down by the Company;

Remuneration

The Committee shall:

- ensure that the compensation to the Board, KMP and other SMEs is reasonable and sufficient to attract, retain and motivate them;
- approve any significant changes in the executive director's contract;
- ensure that there is balance between fixed pay and incentive based pay (if any) in the remuneration to be paid the Directors, KMPs and other SMEs.

Director / Key Managerial Personnel Remuneration

Remuneration of KMP is determined and recommended by the Nomination and Remuneration Committee and approved by the Board. Remuneration of the Managing Director / Wholetime Director / Manager is also subject to the approval of the shareholders. The Company may pay remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to Managing and Whole-time Directors. Salary shall be paid within the range approved by the shareholders. Commission, if any, shall be calculated with reference to net profits of the Company in a particular financial year and shall be determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to overall ceilings stipulated in Sections 197 read with Schedule V of the Companies Act, 2013.

Senior Management Employees Remuneration

The salary of other SMEs shall be competitive and based on the individual's qualification, experience, responsibilities and performance and shall be governed by the HR policy of the Company.

Approved by the Board of Directors vide Resolution passed on 1st August, 2016
Effective Date: 1st August, 2016