



**Brahmaputra Cracker and Polymer Limited
(BCPL)**

Fraud Prevention Policy

September' 2021

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1. INTRODUCTION

- 1.1 Brahmaputra Cracker and Polymer Limited (BCPL), A Govt. of India Enterprise, is a Joint Venture Company & was incorporated on 8th January, 2007. GAIL is the holding company of BCPL with 70% shareholding while OIL, NRL and Govt. of Assam have shareholding of 10% each. The vision of BCPL is to emerge as a dominant petrochemical player in the northeast region, providing value to stakeholders, offering best-in class products & services, contributing to economic growth while remaining environmentally conscious.
- 1.2 BCPL has put in place various policies, systems and procedures to guide employees for undertaking various transaction (s) within and outside organization to conduct the same in a transparent and uniform manner e.g Delegation of Powers (DOP), ERP-SAP, HR Policies, HSE, Code of Conduct for Directors and Senior Management Personnel, Conduct, Discipline and Appeal Rules for employees, Standing Orders and Service Rules etc.
- 1.3 Department of Public Enterprises (DPE) issued revised guidelines on Corporate Governance for Central Public Sector Enterprises on 14.05.2010. These guidelines being mandatory in nature, inter alia, stipulate that BOARD should implement policies and procedures to include:
 - 1.3.1 Staff responsibilities in relation to fraud prevention and identification;
 - 1.3.2 Responsibility of fraud investigation once a fraud has been identified;
 - 1.3.3 Process of reporting on fraud related matters to management;
 - 1.3.4 Reporting and recording process to be followed to record allegation of fraud; and
 - 1.3.5 Requirement of training to be conducted on fraud prevention and identification.
- 1.4 Further, the Companies Act, 2013 has substantively raised the bar on Corporate Governance and introduced stringent provisions to tackle the acts of fraud. The changes in Companies Act, 2013, are directed towards prevention of fraud by bringing in higher Auditor accountability and wider Director and Management responsibility. Section 447 has been enacted under the Act which makes extensive provisions for penalizing fraudulent activities (Annexure I).
- 1.5 The policy statement is given below for implementation with immediate effect.

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2. POLICY OBJECTIVES

- 2.1 Objective of the Policy is to provide a system for detection, prevention and reporting of a fraud detected or suspected; and, handling of such matters pertaining to fraud.
- 2.2 The Policy guidelines as enumerated below stipulate as under:
 - 2.2.1 To ensure that management is aware of its responsibilities for detection and prevention of fraud and for establishing procedures for preventing fraud and/or detecting fraud when it occurs.
 - 2.2.2 To provide a clear guidance to employees and others dealing with BCPL forbidding them from involvement in any fraudulent activity and the action to be taken by them where they suspect any fraudulent activity;
 - 2.2.3 To conduct investigations into fraudulent or suspected fraudulent activities; and
 - 2.2.4 To provide assurance that any and all suspected fraudulent activity/ activities will be fully investigated.
 - 2.2.5 To provide training on fraud prevention and identification.
- 2.3 The above guidelines will not be in conflict with the guidelines issued by the Central Government/ Department of Public Enterprises and Central Vigilance Commission as amended from time to time.
- 2.4 The Policy is expected to ensure and provide for the following:
 - 2.4.1 The 'Fraud Prevention' is the responsibility of all – a 'culture' is to be created.
 - 2.4.2 That the management is fully aware of its responsibilities for detection and prevention of fraud.
 - 2.4.3 Establishing procedures for preventing frauds and/or Detecting fraud when it occurs.
 - 2.4.4 Policy is expected to provide clear guidance to everyone dealing with BCPL:
 - a. forbidding them from involvement in any fraudulent activity and;
 - b. the action to be taken by them-where any fraudulent activity is suspected.

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