



**BRIDGE AND ROOF CO. (I) LIMITED**

**(A GOVT. OF INDIA ENTERPRISE)**

CIN : U27210WB1920GOI003601

*Building Nation Since 1920*

## **“FRAUD PREVENTION POLICY”**

Regd. off: 4<sup>th</sup> & 5<sup>th</sup> Floor, Kankaria Centre, 2/1, Russel Street-700 071



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(A GOVT OF INDIA ENTERPRISE)

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**'TO WHOMSOEVER IT MAY CONCERN'**

This 'Fraud Prevention Policy' of Bridge And Roof Co. (I) Limited has come into force from 21st day of March, 2024.

The Rules of this Policy may be reviewed and amended from time to time on Company's need as per the rules laid down herein.

(Rajesh Kumar Singh)

Chairman and Managing Director

Kolkata

Date : 09.04.2024

# FRAUD PREVENTION POLICY

OF

## BRIDGE AND ROOF CO. (I) LIMITED

(A Govt. of India Enterprise)

### 1.0. BACKGROUND

- Bridge And Roof Co. (India) Ltd., a century old CPSE (hereinafter referred to as B AND R or the Company) under Ministry of Heavy Industries, always promotes the principles of sound corporate governance norms as per Corporate Governance Guidelines of Department of Public Enterprises (DPE), Govt. of India and Companies Act 2013, through the development and adoption of highest standards of transparency, integrity, responsibility and accountability dealt with profound professionalism, and ethical business practices and commitment to the organization.
- Over the years the Company has put in place various Policies and Rules & Procedures or Systems to guide their employees to work within and outside the organization maintaining strong discipline and integrity in all respects and some of them are Delegation of Powers (DOP), Purchase Manual, Human Resource Manuals, Conduct, Discipline and Appeal Rules for Officer, 2022, Integrity Pact as a part of Tender documents etc. and also a "Whistle Blower Policy". This Whistle Blower Policy envisages to put in place a mechanism for employees to report to the Management about unethical behavior, actual or suspected fraud or violation of B AND R's Rule and code of conduct.
- The guidelines of "Corporate Governance" issued by the Department of Public Enterprises (DPE), Govt. of India in 2018, all the CPSEs are under obligations to make some 'Disclosures' before the public pertaining to their business transactions and one of them is related to prevention of 'fraud'. Sub-Clause 7.3 of Chapter - 7 under heading 'DISCLOSURES', of Corporate Governance issued by DPE, Govt. of India, says as follows :

#### QUOTE

*"Clause 7.3 - Board Disclosures –Risk management*

*7.3.1 The company shall lay down procedures to inform Board members about the risk assessment and minimization procedures. These procedures shall be periodically reviewed to ensure that executive management controls risk through means of a properly defined framework. Procedure will be laid down for internal risk management also.*

7.3.2 *The Board should implement policies and procedures which should include:*

- (a) staff responsibilities in relation to fraud prevention and identification*
- (b) responsibility of fraud investigation once a fraud has been identified*
- (c) process of reporting on fraud related matters to management*
- (d) reporting and recording processes to be followed to record allegations of fraud*
- (e) requirements of training to be conducted on fraud prevention and identification."*

UNQUOTE

In compliance of the above guideline of Department of Public Enterprises (DPE) on Corporate Governance, this "Fraud Prevention Policy" abbreviated as FPP is framed and implemented.

## **2.0. SCOPE OF POLICY:**

The policy applies to any fraud or suspected fraud, involving any employee of the Company including executives, non-executives, permanent, temporary or contractual or any other employee engaged on full time, part time or ad hoc basis, representatives of vendors/ suppliers/ contractors/ consultants/ service providers or any other agency, doing any type of business with Bridge and Roof Co. (I) Limited (hereinafter referred to as **B AND R** or the **Company**).

In view of above, the person as referred above, who might commit the 'fraud' and any person, who might assist him/her to commit the 'fraud' shall come under the purview of this Policy.

## **3.0. OBJECTIVES OF THE POLICY:**

This "Fraud Prevention Policy" has been framed to provide a system for detection and prevention of fraud, reporting of any fraud that is detected or suspected and dealing of matters pertaining to fraud. The policy will ensure and provide for the following:-

- i. 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.
- ii. To provide a clear guidance to management including all employees and others dealing with **B AND R** forbidding them from involvement in any fraudulent activity and the action to be taken by them where they suspect any fraudulent activity.
- iii. To conduct investigations into fraudulent activities.

- iv. To provide assurances that any and all suspected fraudulent activity will be fully investigated (on verification of authenticity of the complainant). Genuine informant to be protected against any harassment.
- v. In case any informant is providing wrong information to harass and create unwarranted problem for any employee, such employee needs to be protected to boost the morale and appropriate disciplinary action to be initiated against the informant for providing wrong information as per the applicable conduct rules and in case of outsiders (other than employees) appropriate legal action is to be taken.

#### 4.0 DEFINITION OF 'FRAUD':

- i. "Fraud" may be defined as "Any willful act, committed intentionally by an individual(s) – by deception, suppression, cheating or any other fraudulent or any other illegal means, thereby, causing wrongful gain(s) to self or any other individual(s) and wrongful loss to other(s)". Many a times such acts are undertaken with a view to deceive/ mislead others leading them to do malafide act or prohibiting them from doing a bona-fide act.
- ii. As per section 447 of the Companies Act, 2013, "fraud" in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss;

"wrongful gain" means the gain by unlawful means of property to which the person gaining is not legally entitled;

"wrongful loss" means the loss by unlawful means of property to which the person losing is legally entitled.

## 5.0 ACTIONS CONSTITUTING FRAUD :

The term fraud could have a wide range of coverage such as, but not limited to forgery, bribery, corruption, deception, embezzlement, misappropriation, false representation, concealment of material facts, theft and collusion. An illustrative list of actions constituting fraud is given below:

- i) Forgery or unauthorized alteration of any official document or account created for carrying out official works of the Company.
- ii) Forgery or unauthorized alteration of cheques, bank drafts or any other financial instruments etc.
- iii) Misappropriation of funds, securities, supplies or other assets of the Company by fraudulent means etc.
- iv) Falsifying records, tampering documents, removing the documents/ papers/ notes from files belonging to Company and /or replacing it.
- v) Making fraudulent / false note by forging signatures..
- vi) Willful suppression of facts/ deception in matters of appointment, placements, submission of reports, in any recommendations or making such recommendations as a result of which a wrongful gain(s) is made to any one and/or wrongful loss(s) is caused to B AND R or to anyone in BANDR or others.
- vii. Utilizing any funds or revenue of BANDR for personal purposes.
- viii. Authorizing (or receiving) any payment for goods/services not supplied (fully or partly), or supply/acceptance of substandard quality, or supply/acceptance of substandard services.
- ix. Destruction, disposition, removal of records or any other assets of the Company with an ulterior motive to manipulate and misrepresent the facts.
- x. Any other act that falls under the gamut of 'fraudulent activity'.

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## 6.0 REPORTING OF FRAUD:

- i. Any employee of the Company, including executives, non-executives, permanent, temporary or contractual or any other employee engaged on full time, part time or ad hoc basis or representatives of vendors/ suppliers/ contractors/consultants/service providers or any other agency doing any business with B AND R must report incident(s) of fraud without further loss of time- as soon as he / she comes to know of such fraud or suspected fraud or notice any other fraudulent activity.
- ii. Such reporting shall be made to the "Nodal Officer" by hand or by post or through email at [nodalofficerfpp@bridgeroof.co.in](mailto:nodalofficerfpp@bridgeroof.co.in)
- iii. The Nodal Officer will be appointed under this Policy by Chairman and Managing Director or CMD, B AND R.
- iv. The reporting may be made directly to the Nodal Officer alone or to the concerned SBU Head or Zonal head or Regional head or immediate Controlling Officer with a copy to the Nodal Officer who would have to mandatorily forward the report to the Nodal officer.
- v. The reporting of the fraud should be in writing with signature, date and time. In case the reporting person is not willing to furnish a written statement of fraud but is in a position to give sequential and specific details/transaction of fraud/suspected fraud, then the officer receiving the information should record such details in writing as narrated by the reporting person and also keep the details about the identity of the official / employee / other person reporting such incident, under this policy, strictly confidential.
- vi. The reports about fraud should be made through confidential correspondence. The person, other than Nodal Officer, to whom the fraud or suspected fraud may be reported must maintain the strict confidentiality with respect to the reporting person. Such matter should under no circumstances be discussed with any other person who is not supposed to know about/ or is not an authorized person in such matters.
- vii. In case of **anonymous** or **pseudonymous** complaints which are not supported by the relevant evidence, may not be acted upon. However, a record of such complaints will be maintained by the Nodal officer. Also, a record of the reasons to be made in

writing (for not taking any action on such anonymous complaints) in this regard will be maintained by the Nodal Officer.

- viii. In case the management finds the complaint to be motivated or vexatious, management may take appropriate steps against complainant/reporting person.
- ix. Nodal Officer on receiving report about any suspected fraud shall ensure that all relevant records/ documents and other evidence is being immediately taken into custody and being protected from being tampered with, destroyed or removed by suspected perpetrators of fraud or by any other official under their influence.
- x. Depending on circumstances, the Nodal Officer may also take 'suo motu' action under this Policy and file a complaint of 'fraud' before the Vigilance Department under intimation to CMD, BANDR for further action in the manner stated in Para 7 below.

#### **7.0 INVESTIGATION PROCEDURE:**

- i. The Nodal Officer shall refer the details of the Fraud / suspected fraud to the Vigilance Department of B AND R for further appropriate investigation and needful action under intimation to CMD, B AND R
- ii. This input would be in addition to the intelligence, information and investigation of cases of fraud being investigated by the Vigilance Deptt. of their own as part of their day to day functioning. After completion of the investigation, due and appropriate action, which could include administrative action, disciplinary action, civil or criminal or closure of the matter if it is proved that fraud is not committed etc. depending upon the outcome of the investigation shall be undertaken. The Vigilance Deptt. shall apprise CMD, B AND R of the results of the investigation undertaken by them for further necessary action.
- iii. At every stage/step, from receiving of disclosure/complaint to outcome of investigation, utmost effort shall be made to protect the identity of the complainant.
- iv. After completion of the investigation, due and appropriate action, which could include administrative action, disciplinary action, civil or criminal action, Banning Business or Black listing of the vendors/contractors/suppliers/or closure of the matter if it is proved that fraud is not committed etc. depending upon the outcome of the investigation shall be undertaken.

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- v. Malicious allegation may result in disciplinary action /civil action against the complainant.

#### **8.0 RESPONSIBILITY FOR FRAUD PREVENTION & TRAINING RELATED THERETO:**

- i. Every employee that is, all executives, non-executives, permanent, temporary or contractual or any other employee engaged on full time, part time or ad hoc basis representative of vendors, suppliers, contractors, consultants, service providers or any other agency (ies) doing any type of business with BANDR, is expected and shall be responsible to ensure that there is no fraudulent act being committed or indulged in their areas of responsibility/control. As soon as it is learnt that a fraud or suspected fraud has taken or is likely to take place they should immediately apprise the same to the Nodal Officer or to the SBU Head or Regional Head or Zonal head or immediate controlling officer, as per the procedure stated above.
- ii. All SBU heads or Zonal heads or Regional Heads or controlling officers shall share the responsibility of prevention and detection of fraud and for implementing the Fraud Prevention Policy of the Company. It is the responsibility of all SBU Heads or Zonal Heads or Regional Heads or controlling officers to ensure that there are mechanisms in place within their area of control to : -
  - a) Familiarize each employee with the types of improprieties that might occur in their area.
  - b) Educate employees about fraud prevention and detection including fraud occurred in IT related matters or in electronically /digitally created documents.
  - c) Create a culture whereby employees are encouraged to report any fraud or suspected fraud which comes to their knowledge, without any fear of victimization.
  - d) Promote awareness of ethical principles amongst the employees.

#### **9.0 ADMINISTRATION AND REVIEW OF THE POLICY**

- i. The policy will be reviewed and revised as and when required by the Management under intimation to the Board of Directors of the Company.
- ii. Due amendments shall be made in the general conditions of contracts of the organization wherein all bidders/service providers/vendors/consultants etc. shall be

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required to certify that they would adhere to the Fraud Prevention Policy of B AND R and shall not indulge or allow anybody else working in their organization to indulge in fraudulent activities and would immediately apprise the organization of the fraud/suspected fraud as soon as it comes to their notice.

These conditions shall form part of documents both at the time of submission of bid and agreement of execution of contract.

The following Fraud Prevention clause shall be made a part of the tender conditions of the Company in the following manner :

**“ Fraud Prevention Policy of Bridge And Roof Co. (I) Ltd (hereinafter referred to as B AND R ):**

*Everyone may take a note that a "Fraud Prevention Policy" is being followed at B AND R, which provides a system for prevention/ detection/ reporting of any fraud. It also forbids everyone from involvement in any fraudulent activity and that where any fraudulent activity is suspected by any one, the matter must be reported to the NODAL OFFICER, as per details below as soon as he /she comes to know of any fraud or suspected fraud or notice any other fraudulent activity. Anonymous/Pseudonymous complaints received, if not supported by the relevant evidence, may not be acted upon. Utmost confidentiality shall be maintained regarding identity of the complainant. All reports of fraud or suspected fraud shall be handled and shall be co-ordinated by the Nodal Officer. A copy of the 'Fraud Prevention Policy' is available on the official web-site of B AND R. The e-mail ID of the Nodal Officer: [nodalofficerfpp@bridgeroof.co.in](mailto:nodalofficerfpp@bridgeroof.co.in) and postal address is*

**‘Nodal Officer under Fraud Prevention Policy,  
Bridge And Roof Co.(I) Limited,  
‘Kankaria Centre’, 4<sup>th</sup> & 5<sup>th</sup> Floor,  
2/1, Russel Street, Kolkata-700 071”**