

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

BACKGROUND

Under section 177 of the Companies Act, 2013, the Company being listed on BSE Ltd, is required to establish a vigil mechanism and whistle Blower policy for their directors and employees to report their genuine concerns or grievances.

In accordance with Corporate Governance Report, Schedule V: Annual Report under Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to disclose details of establishment of vigil mechanism and whistle blower policy, and affirmation that no personnel has been denied access to the audit committee.

The Company's audit committee has been entrusted with the function of overseeing the vigil mechanism and whistle blower policy. Any member of the audit committee has a conflict of interest in a given case, the/she shall recuse the remaining members of the committee would deal with the matter on hand.

The Board of Directors based on the recommendation of the Audit Committee has formulated this policy and adopted at its meeting held on 12th August, 2022.

OBJECTIVE

The Policy aims to establish a mechanism to receive complaints relating to disclosure and/or reporting of any allegation of

- Corruption
- wilful misuse of power
- wilful misuse of discretion
- unethical behaviour,
- actual or suspected fraud,
- leakage of unpublished price sensitive information or suspected leakage of unpublished price sensitive information
- violation of the Code of Business Conduct and Ethics

The complaint or reporting could be against

- Board of Directors and Employees,
- employee/public servant

The Company is committed to ensure compliance of all the applicable laws, Code of Corporate Governance & Ethics adopted by it and policies and procedures framed by it from time to time, by the Directors and employees of the Company.

This policy provides a framework through which all the Directors and employees report their genuine concerns and actual / potential violations to the designated officials of the Company fearlessly without being victimized. It also provides for direct access to the chairperson of the audit committee or the director nominated to play the role of audit committee, as the case may be, in appropriate or exceptional cases.

DEFINITIONS

- a. **"Act"** means the Companies Act, 2013 (and the Rules) and the Companies Act, 1956 to the extent applicable.
- b. **"Board"** means the Board of Directors of the Company.
- c. **"Company"** means Industrial & Prudential Investment Company Limited
- d. **"Key Managerial Personnel"** means key managerial personnel as defined under sub-section (.51) of section 2 of the Companies Act, 2013.
- e. **"Listing Regulations"** means the Securities Exchange Board of India {Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes other regulations, guidelines, circulars, orders and rules issued by SEBI/BSE to the listed companies .
- f. **"Policy"** means this policy, as amended from time to time.
- g. **"SEBI"** means the Securities and Exchange Board of India.
- h. **"Rules"** means the rules made under the Companies Act, 2013.
- i. **"Stock Exchange(s)"** means BSE Limited where the equity shares of the Company are listed.

POLICY

1. Who can report?

Any whistle-blower among the Directors and employees of the Company can report genuine concerns and actual or potential violations.

2. Concerns / violations that can be reported

- a) Deliberate or unintentional non - compliance of the applicable laws,
- b) Improper and unlawful practices,
- c) Cases of frauds,
- d) Financial and accounting irregularities,
- e) Misappropriation of Company's funds,
- f) Violation of Code of Corporate Governance & Ethics inter-alia non-disclosure of conflict of interest or indulging in insider trading.

3. Lodging of Complaints

Complaints on the matters listed at paragraph 2 above, including anonymous, can be directly reported/ lodged with the Company Secretary of the Company.

Alternatively, complaints can also be sent to the Chairman, Audit Committee of the Company email id of the Company

4. Investigation Procedure

- a) All the complaints received by the designated official as above shall be logged and thereafter shall be forwarded to the Audit Committee (AC).
- b) AC may at its discretion appoint a committee (which can be one man) to investigate such complaints. The Committee shall investigate and hear the parties, as may be needed, after due notice, and shall file its Closure Report or Investigation Report to the Audit within one months of its appointment or such other extended time allowed by the Audit Committee.

- c) On receipt of the Closure Report or Investigation Report, the AC shall recommend action as it deems fit after considering the Closure Report or the Investigation Report and other relevant and material facts placed before it.
- d) AC will send a copy of the Complaint, Closure Report or Investigation Report and the suggested actions to be taken to the Chairman of the Audit Committee for consideration.
- e) AC may declare that the person engaged for carrying out investigation is not a whistle blower or complainant.
- f) The Audit Committee may:
 - Either accept the recommendation of Investigating committee for implementation / taking suitable action, if it finds that no further investigation is required on the complaint,
 - Or order a further investigation thereon, and;
 - Take such action on the complaint as it may deem fit, based on the finding(s) of the further investigation.
- g) In case, any member of the Audit Committee has conflict of interest in any complaint, the remaining members of the Audit Committee shall deal with the matter.
- h) In the next meeting of AC, the Company Secretary shall report the action taken in the matter.
- i) the Company Secretary shall revert to CGEC about action taken by the Company under (f) above.

5. Protection and Safeguards

The Investing Officer /Committee and the Audit Committee shall ensure

- a) protection of complainant/ witness, if any, against any harassment and victimization
- b) protection of the complainant identity

6. Frivolous Complaints

In case of repeated frivolous complaints being filed by a director or an employee, the audit committee or the director nominated to play the role of audit committee may take suitable action against the concerned director or employee including reprimand.

7. Miscellaneous

- a. All the relevant documents namely complaint or the gist of oral complaint, as the case may be, information/ document obtained during the investigation as evidence, including from witness, if any shall be fully secured to avoid any tampering and shall be preserved for a period of 2 years from the date of the closure report or the investigation report, as the case may be.
- b. In exceptional cases as may be decided by the AC, after considering the facts of such cases, the whistle blower / complainant shall be provided direct access to the Chairman of the Audit Committee.

AMENDMENTS

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

SCOPE AND LIMITATIONS

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or any other statutory enactments or rules, the provisions of Listing Regulations/Act or statutory enactments or rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force