



INDIA PESTICIDES LIMITED

Vigil Mechanism & Whistleblower

Policy & Procedure

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Document Control Log

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Standards	SEBI of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	Company Act, 2013
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Action	Name	Designation & Department	Date
Restructured by	Ramakrishnan Subramoniam	Quality Assurance Manager	18/12/2020
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01	01	Document Creation	Na	NA	Board
02	02	Inclusion of Simple & Safe Outlook of Procedure for the employee to understand easily	23/01/2021	Ramakrishnan Subramoniam	Board

1. INTRODUCTION

India Pesticides Limited (“IPL” / “**the Company**”) is committed on the highest standards of ethical, moral and legal conduct of business operations.

Unethical behavior, fraud, violation of the Codes of conduct or policy, or leak of unpublished price sensitive information pertaining to the company can lead to damage of the Company’s activities and reputation.

The Company hence, encourages all its employees including Directors through Vigil Mechanism and Whistle blower procedure (“**the Policy**”) to report in good faith without fear of punishment or unfair treatment, on actual or suspected actions due to dishonesty that require combating practices to safeguard IPL’s integrity.

2. OBJECTIVE

The Policy is defined to:

- provide a framework for a fair and efficient way of dealing with whistleblowing incidences by respecting the rights of all parties involved
- transparently communicate IPL’s investigation process on such reporting
- assure the whistleblower (one who reports in good faith) on utmost confidentiality and effective protection against any retaliation or reprisals, whether actual or threatened, as a result of whistleblowing
- affirm direct access to the CEO / Chairman of the Audit Committee in exceptional cases

3. IN SCOPE

Concerns about misconduct / malpractices as broadly categorized but not limited to under the section in this document – ‘Whistleblowing Complaints’ - committed by IPL employees while inside or outside of all the IPL’s premises, which can impact company’s integrity, ethics and governing law of land where it operates.

4. OUT SCOPE

Everyday team or operational concerns, which can be resolved through discussion with immediate superiors or next level management, are not included in.

5. LAWS AND REGULATIONS

- ❖ Section 177 of the Companies Act, 2013 (“**Companies Act**”) and Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the employees and directors to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“**Code**”), which lays down the principles and standards that should govern the actions of the Company and its employees.
- ❖ Regulation 4(2)(d)(iv), 22 and 46(2) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”) inter alia, provides all listed companies to establish a Vigil Mechanism for directors and employees to report genuine concerns.
- ❖ Regulation 9A (6) of the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015 (“**Insider Trading Regulations**”) requires that every listed company establishes a Whistle Blower Policy (“**Policy**”) for the purposes of reporting instances of leak of unpublished price sensitive information.

6. RELATED REFERENCE DOCUMENTS

- ❖ Code of Conduct for Directors and Senior Management Executives
- ❖ Insider Trading Policy
- ❖ IPL’s Dishonest Policy
- ❖ IPL’s Business Ethics Policy
- ❖ Violation of Code of Conduct Matrix for all employees

7. DEFINITIONS

7.1	Alleged wrongful conduct	Violation of law, Infringement of Company's rules, misappropriation of monies, actual or suspected fraud, leak of unpublished price sensitive information as defined under the Insider Trading Regulations, substantial and specific danger to public health and safety or abuse of authority.
7.2	Audit Committee	A Committee constituted by the Board of Directors of the Company in accordance with Companies Act and SEBI Listing Regulations.
7.3	Board	The Board of Directors of the Company.
7.4	Company	The India Pesticides Limited and all its offices and manufacturing sites.
7.5	Code	Code of Conduct for Directors and Senior Management Executives adopted by India Pesticides Limited.
7.6	Employee	All the present employees and Directors of the Company (including outsourced, temporary and on contract personnel, director and/or third-party engaged by or on-behalf of the Company, whether working in India or abroad.
7.7	Good Faith	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 on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.
7.8	Protected Disclosure	Concern rose by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title "Scope of the Policy" with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
7.9	Subject	A person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
7.10	Vigilance Officer	An officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
7.11	Whistleblower	An employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

8. ELIGIBILITY

All Employees and Directors of the Company are eligible to make Protected Disclosures in relation to the matters that this Policy covers.

9. WHISTLEBLOWING COMPLAINTS

Types of misconducts due to dishonesty that can be reported as Whistleblowing complaints are broadly categorized, but not limited to, as listed below.

FRAUD RELATED

Complaints under this category include acts of financial misconduct such as:

Accounting fraud or Asset related fraud or Breach of Law or Leak of unpublished price sensitive information etc.....

CORRUPTION RELATED

Complaints against staff, contractors, suppliers and borrowers (and / or their affiliates) that can be reported under this category include acts of corruption, bribery, theft etc....

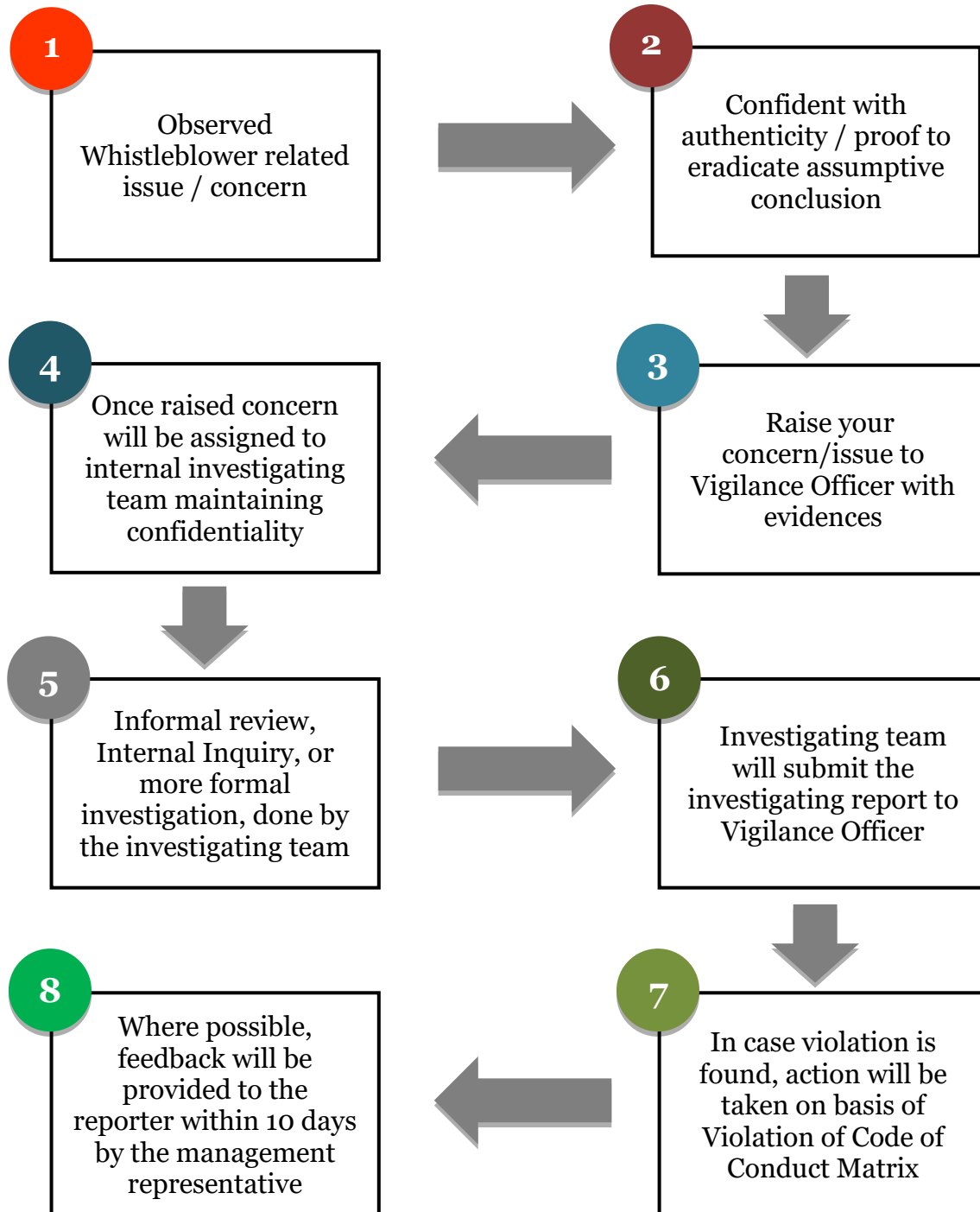
WORKPLACE RELATED

- ⊕ Work-place harassment
- ⊕ Sexual harassment including verbal abuse
- ⊕ Intimidation/Threatening
- ⊕ Conflict of interest (includes gifts, favours and entertainment by / to internal other staff or third-parties)
- ⊕ Willful negligence of company rules
- ⊕ Discrimination on grounds of sex, race or disability or religion
- ⊕ Nepotism etc.....

OTHERS

- ⊕ Any illegality or manipulation
- ⊕ Damage to environment
- ⊕ Gross Waste of money, material, time or resources
- ⊕ Abuse of authority,
- ⊕ Substantial and specific danger to public health or safety and
- ⊕ Any other activity, which undermines the IPL's responsibility to its stakeholders.

10. SIMPLE & SAFE: AN OUTLOOK ON WHISTLEBLOWER REPORTING PROCEDURE



11. DETAILED PROCEDURE OF WHISTLEBLOWING REPORTING

- Your raised concern/issue in good faith is a **‘protected disclosure’**. Management recommends all employees to have clear understanding of reporting procedure by self, without depending on anybody. This can not only ensure confidentiality for the reporter by not giving any clue to a second person on one’s intention to raise the concern, but also helps on information not getting divulged.
- All Protected Disclosures should be reported by the complainant at the earliest after the Whistle Blower becomes aware of the issue / concern with clear understanding.
- The reporting should be either emailed or typed or when written, must be in legible handwriting in English or Hindi.
- While submitting the protected disclosure, it is mandatory to super scribe the email or envelop as, **‘Protected disclosure under the Whistle Blower policy’**.
- If the complaint is not super scribed and closed, it will be impossible to upkeep confidentiality and might be treated as normal complaint.
- In order to protect identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainant(s) and they are advised neither to write their name/ address on the envelope nor to enter into any further correspondence with the Vigilance Officer.
- The Vigilance Officer shall get in touch with the complainant when in need of any further clarification and hence, anonymous / pseudonymous disclosure shall not be entertained by the Vigilance Officer.
- Name and signature of the complainant or whistleblower must only be on the covering letter.
- The Vigilance Officer/CEO as the case may be, shall detach the covering letter bearing the identity of the Whistleblower and process only the Protected Disclosure.
- All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the CEO / Chairman of Audit Committee in exceptional cases. The contact details of the Vigilance and Ethics Officer is as under:-

Name and Address – Mr. S. P. Gupta (CFO)
India Pesticides Limited,
Water Works Road,
Aishbagh, Lucknow-226004
Email- sp.gupta@indiapesticideslimited.com

- Protected Disclosure against the Vigilance Officer should be addressed to the CEO of the Company and the Protected Disclosure against the CEO of the Company should be addressed to the Chairman of the Audit Committee.
- On receipt of the protected disclosure the Vigilance Officer/ CEO / Chairman of Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not.
- The initial investigation shall be carried out either by himself or by the assigned Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.
- Here is a short checklist of information for the employee/the reporter/whistleblower to ensure all details are mentioned.
 - Date(s) of incident(s)
 - Type of incident (see '9. Whistleblowing Complaints' in this document for guidance)
 - Description of incident(s)/details of concerns
 - Where did it happen?
 - Who has been involved?
 - If possible, explain how you think the matter can be best resolved or start thinking about it in preparation for any meetings you may be required to attend (if you have shared your identity)
 - If you feel comfortable sharing your identity then please provide us with your name, your work location and contact details.
- The Audit Committee maintains the record that includes:
 - A.** Brief of concern raised;
 - B.** Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - C.** Details of actions taken by Vigilance Officer / CEO for processing the complaint
 - D.** Findings of the Audit Committee
 - E.** The recommendations of the Audit Committee / other action(s)

12. INVESTIGATION

- 12.1.** All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation. In case of protected disclosure concerning any leak of unpublished price sensitive information, the procedure to be followed for investigation thereof will be as per the Policy on Procedure and Inquiry in case of Leak of Unpublished Price Sensitive Information of the Company.
- 12.2.** The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process.
- 12.3.** Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 12.4.** Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 12.5.** Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 12.6.** Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 12.7.** Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong-doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 12.8.** Subject(s) have a right to be informed of the outcome of the investigations.
- 12.9.** The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

13. DECISION AND REPORTING

- 13.1.** If an investigation leads the Vigilance Officer / CEO / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance Officer / CEO / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 13.2.** In case of investigation pertaining to leak of unpublished price sensitive information, decision and reporting shall be done in accordance with the procedure prescribed under the Policy on Procedure and Inquiry in case of Leak of Unpublished Price Sensitive Information of the Company.
- 13.3.** The Vigilance Officer shall submit a report to the Chairman of Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 13.4.** In case the Subject is the CEO of the Company and the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 13.5.** A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

14. CONFIDENTIALITY

14.1. All whistleblowers/complainant should be aware that there are significant rights and protections available to individuals who identify themselves while submitting a Protected Disclosure. These rights and protections may be lost if a Protected Disclosure is on anonymous basis. Therefore, the Company encourages all Employees to identify themselves when making a Protected Disclosure.

14.2. In responding to Protected Disclosure, The complainant, Vigilance Officer, Members of Audit Committee, the Subject and everybody involved in the process shall pay due regard to:

- Maintain confidentiality of all matters under this Policy
- Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- Not keep the papers unattended anywhere at any time
- Keep the electronic mails / files under password.

15. SAFETY FOR THE EMPLOYEE WHO REPORTS

- ✓ IPL Management and the staff are unanimously committed to this policy. This Whistleblower Policy is intended to encourage and enable all staff to raise serious issues/concerns within the organization for investigation and appropriate action.
- ✓ With this goal in mind, if/when a genuine issue or concern is raised under this policy, the employee who reports will not be threatened, discriminated against or otherwise face retaliation or, undergo adverse employment consequences such as risk of losing his/her job or suffering any detriment (such as reprisal or victimisation).
- ✓ Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- ✓ Moreover, anyone who retaliates against someone who has reported a concern in good faith has to face discipline-up to violation of code of conduct matrix.
- ✓ Provided the reporting is in good faith (effectively this means honestly), it does not matter if the employee who reports is genuinely mistaken or if there is an innocent explanation for his/her concerns.

- ✓ This assurance is not extended to those who maliciously raise a matter they know is untrue. Anyone reporting an issue/concern **must act in good faith and have reasonable grounds for believing the matter raised is a serious violation of judicial law or company policy or a material accounting or auditing matter.** The act of making allegations that prove to be unsubstantiated, and/or have been made maliciously, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and will face actions according to violation of code of conduct matrix.

16. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

17. COMMUNICATION

Proof on awareness programs conducted on implementation and sustenance of this framework is always available with the HR department.

18. RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

19. ADMINISTRATION AND REVIEW OF THE POLICY

The CEO and Chairman of Audit Committee of the Company shall be responsible for the administration, interpretation application and review of this policy. The CEO and Chairman of Audit Committee of the Company also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

20. AMENDMENTS

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

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