

MP INDUSTRIAL DEVELOPMENT CORPORATION LIMITED
CIN: U51102MP1977SGC001392

“MPIDC VIGIL MECHANISM POLICY 2021”

PREAMBLE AND OBJECTIVE

MP Industrial Development Corporation Limited (the Company) considering the interest of all its well-wishers, who want to report genuine concerns within the organization, implements the MPIDC Vigil Mechanism/Whistle Blower Policy 2021 (the Policy).

The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairman.

In order to comply with sub section (9) of section 177 read with Rule 7 of the **Companies (Meetings of Board and its Powers) Rules, 2014, MP Industrial Development Corporation Limited, Bhopal** to Setup a Vigil Mechanism/Whistle Blower Policy with a view to provide a mechanism for Directors/ Employees of the Company to approach the Chairman of the Company as and when such issues arises.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of any nature whatsoever, or fear of any unfair treatment. A vigil mechanism provides a channel to employees and Directors to report to the management, their concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or any Policy of the Company.

2. REGULATORY REFERENCES

- Section 177 of the Companies Act, 2013;
- The Companies (Meetings of Board and its Powers) Rules 2014.

3. APPLICABILITY

The Policy is approved by the Board vide its resolution no.01 dated 21.09.2021 and shall be effective from 01.04.2021

4. SCOPE OF THE POLICY

All Employees and Directors of the Company who are associated with the company may raise concerns regarding malpractices and events which may negatively impact the company such as:

- a. Inaccuracy in maintaining the Company's books of account and financial records.
- b. Financial misappropriation and fraud.

- c. Procurement fraud.
 - d. Conflict of interest.
 - e. False expense reimbursements.
 - f. Misuse of company assets & resources.
 - g. Inappropriate sharing of sensitive information of company.
 - h. Corruption & bribery.
 - i. Insider trading.
 - j. Unfair trade practices & anti-competitive behavior.
 - k. Non-adherence to safety guidelines.
 - l. Sexual harassment.
 - m. Child Labor.
 - n. Discrimination in any form.
 - o. Violation of human rights,
- and any other matters or activities on account of which the interest of the Company is affected.

5. KEY DEFINITIONS

- a) The Company means **“MP INDUSTRIAL DEVELOPMENT CORPORATION LIMITED”**
- b) “Board” means the Board of Directors of the Company.
- c) Policy or This Policy means, “MPIDC Vigil Mechanism Policy 2021.”
- d) “Employee” means all the existing employees and Directors of the Company.

e) "Whistle Blower" means an employee or Director who makes a Protected Disclosure to competent authority under the Policy.

f) "Protected Disclosure" means a concern raised 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.

6. ELIGIBILITY

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters relating to alleged wrongful conduct.

7. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, read along with the rules as amended from time to time.

8. GUIDELINES

a. Protection under Policy

The vigil mechanism shall provide adequate safeguards against victimization of employees and directors or such whistle blower



who avail for the vigil mechanism and report their genuine concerns or grievances.

b. Disclosure & Maintenance of Confidentiality

Employees and directors shall report to Chairman, MP Industrial Development Corporation Limited

Confidentiality shall be maintained to the highest level as far as possible.

c. Frivolous complaints

In case of repeated frivolous/malafide complaints being filed by a director or an employee, the Chairman may take suitable action against the concerned director or employee including reprimand.

9. PROCEDURE

Any employee or director shall submit a report of the genuine concerns or grievances to the Chairman.

Chairman would deal with the matter on hand.

Vigilance Officer shall appropriately investigate all grievances received. In this regard, Chairman to investigate into the matter and prescribe the scope and time limit therefore.

Chairman shall have right to outline detailed procedure for an investigation.

The chairman, as the case may be, shall have right to call for any information/ document and examination of any employee or director of the Company or other person(s), as deemed appropriate for the purpose of conducting investigation under this policy.

A concluding report shall be prepared after completion of investigation and the Chairman shall consider the same.

The decision or direction of Chairman shall be final and binding to all.

The Contact details for addressing and sending the Complaints is as follows:

**Chairman, MP Industrial Development Corporation Limited,
Bhopal**

Contact Add: Principal Secretary (Ex officio Chairman MPIDC),
Department of Industrial Policy & Investment Promotion, Govt. of
Madhya Pradesh,

Room No-211, D wing, IIInd Floor,
Vallabh Bhawan-Bhopal-462011

E-mail Id: pscomnind@mp.gov.in

Contact No. 0755-2708661

10. INVESTIGATION

- a) The investigation would be carried out to determine the authenticity of the allegations and for fact-finding process.
- b) The investigation team shall not include any member with possible involvement in the said allegation.
- c) During the course of the investigation:
 - (i) Chairman shall have authority to take decisions on the issues concerned with investigation.
 - (ii) Any required information related to the scope of the allegation shall be made available to the investigators.
- d) The findings of the investigation should be submitted to the Chairman by the investigator (Vigilance Officer) with all the supporting documents.

11. ROLE OF INVESTIGATOR

- a. A structured approach should be followed to ascertain the creditability of the charge.
- b. Confidentiality and secrecy of the issue and subject, reported shall be ensured.
- c. Provide timely update to the Chairman about the progress of the investigation.
- d. Ensure investigation is carried out in independent and unbiased manner.
- e. Documentation of the investigation process shall be ensured.
- f. Investigation Report along with the record file of investigation shall be submitted to the Chairman with all the documents in support of the observations.

12. MAINTAINING SECRECY AND CONFIDENTIALITY

MP Industrial Development Corporation Limited expects individuals involved in the review or investigation to maintain complete confidentiality. Disciplinary action may be initiated against anyone if found not complying with the below:

- a. Maintain complete confidentiality and secrecy of the matter.
- b. The matter should not be disclosed/discussed in social gatherings social media or with individuals, who are not involved in the review or investigation of the matter.

- c. The matter should be discussed only to the extent required with the authorized person, for the purpose of completing the investigation.
- d. Confidentiality of documents reviewed during the investigation shall be ensured.
- e. Secrecy of the whistle blower, subject, protected disclosure, investigation team and witnesses assisting in the investigation shall be ensured.

13. PROTECTION

a. No unfair treatment shall be meted out to a Whistle blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns, any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle blower. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected disclosure.

b. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected disclosure. Thus, if the Whistle blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle blower to receive advice about the procedure etc.

c. The identity of the Whistle blower shall be kept confidential to the extent possible and permitted under law. The identity of the Whistle blower will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the Whistle Blower being disclosed, the Chairman is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure.

d. Any other Employee assisting in the said investigation shall also be protected in the similar manner as the Whistle Blower. Provided however that the Whistle blower before making a complaint has reasonable belief that an issue exists, and he has acted in good faith. Any complaint not made in good faith as assessed such by the Chairman shall be viewed seriously and the Whistle Blower shall be subject to disciplinary action as per the Rules of the Company. This policy does not protect an employee from an adverse action taken in any other matter unconnected of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

e. A Whistle Blower may report any violations of the above provisions to the Chairman of the Company, who shall investigate into the same and recommend suitable action to the management.

14. ACCESS TO CHAIRMAN OF THE COMPANY

The Whistle Blower shall have right to access Chairman of the Company directly in exceptional cases and the chairman of the Company is authorized to issue suitable directions and effective measures in this regard.

15. COMMUNICATION

Whistle Blower policy shall be uploaded on the website of the company and disseminated through other mode of communication also.

16. 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 8 (Eight) years or such other period as specified by any other law in force, whichever is more.

17. RIGHT TO AMENDMENT

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.

18. INTIMATION

The Compliance Officer/Company Secretary shall be responsible for intimating to all Directors and Departmental heads of any changes in policy. This policy as amended from time to time shall be disclosed by the company on its website and in the Board's report.
