

Vigil Mechanism & Whistle Blower Policy for Directors and Employees of Intec Capital Limited



Policy / Process Note Information	
Policy Name	Vigil Mechanism & Whistle Blower Policy for Directors and Employees of Intec Capital Limited
Last Recommended / Reviewed by Committee of Board (CoB), if any	Last Recommended / Reviewed by Audit Committee on Thursday, May 24, 2018
Last Approved / Reviewed by Board of Directors, if any	Last Approved / reviewed by Board of Directors on Thursday, May 24, 2018
Recommended by Committee of Board (CoB), if any	Recommended by Audit Committee in its meeting scheduled on 10th June 2021
Approved by Board of Directors, if any	Approved by Board of Directors on 10th June 2021
Effective Date	10th June 2021

1. BACKGROUND

The Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as “SEBI LODR 2015”) as amended from time to time and Section 177 of the Companies Act, 2013 as amended from time, has mandated 2015 every listed company to formulate a Vigil Mechanism and Whistle Blower Policy for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company’s Insider Trading Code of Conduct and code of fair disclosure and code of conduct.

- 1.1 Intec Capital Limited (“Company”) has adopted a code of fair disclosure and code of conduct (“Insider Trading Code”) as required under the PIT Regulations, which lays down the practices and procedures that should govern the fair disclosure of UPSI by the Company and regulate and monitor the conduct of designated person (as defined in the Insider Trading Code) while dealing in the securities of the Company.
- 1.2 The Company has adopted a Policy for procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information (“UPSI”) in terms of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015 as required under the PIT Regulations, which lays down the practices and procedures that should govern the fair disclosure of UPSI by the Company and regulate and monitor the conduct of designated person (as defined in the Insider Trading Code) while dealing in the securities of the Company.
- 1.3 Recently, in terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto (“PIT Regulations”), the Company is required to amend its existing Vigil Mechanism/ Whistle Blower Policy in order to make employees aware of such policy to enable employees to report instances of leak of Unpublished Price Sensitive Information (“UPSI”) through this policy.
- 1.4 The Company’s Board of Directors on recommendation of Audit Committee, has laid down on the Vigil Mechanism / Whistle Blower Policy for Directors and its Employees (hereinafter referred to as “Policy”)
- 1.5 Such a Vigil Mechanism / Whistle Blower Policy shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail of such mechanism and also make provisions for direct access to the Chairperson of Audit Committee in exceptional cases.

2. DEFINITIONS

- 2.1 “Audit Committee” means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013 and in terms of provisions of regulations of SEBI LODR, 2015. .
- 2.2 “Code” or “Code of Conduct” shall mean *“Insider Trading Code of Conduct for Listed Company for Regulating, Monitoring and Reporting of Trading by Insiders / Designated Persons / Directors / KMP’s of Intec Capital Limited or any other person as per Law pursuant to regulation 9 read with Schedule – B of SEBI (Prohibition of Insider Trading), Regulations 2015”*

2.3. **“Company”** means, “Intec Capital Limited” or “ICL”

2.4. **“Disciplinary Action”** means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

2.5. **“Employee”** means every employee of the Company (whether working in India or abroad).

2.6. **“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

2.7. **“Policy or This Policy”** means, Vigil Mechanism & Whistle Blower Policy for Directors and Employees of Intec Capital Limited”.

2.8. **“Protected Disclosure”** means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.

2.9. **“Subject”** means 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 under this Policy.

2.10. **“Whistleblower”** is someone who makes a Protected Disclosure under this Policy.

2.11. **“Ethics Counsellors” or “Ethics Counsellors” or “Committee”** means an officer or Committee of persons who is/are nominated/ appointed to conduct detailed investigation of the disclosure received from the whistleblower and recommend disciplinary action.

2.12. **“Alleged Wrongful Conduct”** means

- a) Fraud (as defined under section 447 of the Companies Act,2013 which would affect the interests of the concerned) against investors, securities fraud, mail or wire fraud, bank fraud, or fraudulent statements to the Securities and Exchange Board of India (the 'SEBI'), the relevant stock exchanges, any other relevant authority or members of the investing public.
- b) Violations of any rules and regulations applicable to the Company and related to accounting and auditing matters or other allied matters.
- c) Intentional error or fraud in the preparation, review or audit of any financial statement of the Company.
- d) Any violations to the Company's ethical business practices as specified in the Company's Code of Conduct policy.
- e) Any other event which would affect the interests of the business.

- 2.13. **“Leak of Unpublished Price Sensitive Information (UPSI)”** means as defined in Policy for procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information (“UPSI”) in terms of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended upto 21st January 2019
- 2.14. **“Unpublished Price Sensitive Information” (“UPSI”)** means as defined in PIT Regulations
- 2.15. **“PIT Regulations”** shall mean the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and any amendments thereto.
- 2.16. **“SEBI LODR 2015”** means SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as “SEBI LODR 2015”)

3. POLICY OBJECTIVES

- 3.1. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of 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 punishment or unfair treatment. This policy aims to provide an avenue for employee(s) or directors to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.
- 3.2. To encourage its directors and employees to report unethical behaviors, malpractices, wrongful conduct, fraud, violation of the company's policies & Values, violation of law in the Company without any fear of retaliation.
- 3.3. To cover serious concerns that could have grave impact on the operations and performance of the business of the Company.
- 3.4. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.
- 3.5. While this Policy is intended to protect genuine Whistleblowers from any unfair treatment as a result of their disclosure, misuse of this protection by making frivolous and bogus complaints with mala-fide intentions is strictly prohibited. Personnel who makes complaints with mala-fide intentions and which are subsequently found to be false will be subject to strict disciplinary action.
- 3.6. Make employees aware of this Policy and to empower them to report instances of leak of UPSI.

4. POLICY – ITS SCOPE AND APPLICABILITY

- 4.1. In compliance of the above statutory requirements, ICL, being a Listed Company has decided to establish a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure Vigil Mechanism/ Whistle Blower.
- 4.2. This policy applies to all the employees of Intec (including outsourced, temporary and on contract personnel), ex-employees, stakeholders of the Company, including Vendors

(hereinafter referred to as 'Whistle Blower').

4.3. This policy encourages all the Whistle Blowers to report any kind of misuse of company's properties, mismanagement or wrongful conduct prevailing/executed in the company, which the whistleblower in good faith, believes, evidences any of the following:

- i. Violation of any law or regulations, policies including but not limited to corruption, bribery, Theft, fraud, coercion and willful omission.
- ii. Rebating of Commission/benefit or conflict of interest.
- iii. Procurement frauds.
- iv. Mismanagement, Gross wastage or misappropriation of company funds/assets.
- v. Manipulation of Company data/records.
- vi. Misappropriating cash/company assets; leaking confidential or proprietary information.
- vii. Unofficial use of Company's property/human assets.
- viii. Activities violating Company policies. (Including Code of Conduct)
- ix. A substantial and specific danger to public health and safety.
- x. An abuse of authority or fraud
- xi. An act of discrimination or sexual harassment
- xii. Instances of leak of unpublished price sensitive information.

The above list is illustrative and should not be considered as exhaustive

5. GUIDING PRINCIPLES

5.1. To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- a) Ensure that the Whistleblower and/or the person processing the Protected Disclosure is not victimized for doing so.
- b) Treat victimization as a serious matter, including initiating disciplinary action on such person/(s)
- c) Ensure complete confidentiality
- d) Not attempt to conceal evidence of the Protected Disclosure
- e) Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made
- f) Provide an opportunity of being heard to the persons involved especially to the Subject

5.2. Prohibition

- 5.2.1. The “Policy” prohibits company from taking any action, which may lead to unfair termination or unfair prejudicial employment practices (i.e. threaten, demote, relocate etc.) against its employees for Whistle Blowing in Good Faith.
- 5.2.2. However, this policy does not protect an employee from an adverse action which occurs before a violation or waste report is communicated or from misconduct, poor job performance, or subjection to a reduction in workforce unrelated to a communication made pursuant to the Whistle Blower Policy.

5.3. The Company Responsibilities

- 5.1. Determination of nature of Complaints – Ethics Counsellors shall determine the nature of Complaints keeping in view the requirement of Companies Act, 2013 and SEBI LODR 2015 and determining appropriate course of action.
- 5.2. Annual Affirmation on the Compliance of “Policy” and its disclosure in Corporate Governance Report: The Company shall annually affirm that it has not denied any personnel access to the Ethics Counsellors/ Audit Committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to “whistle blowers” from unfair termination and other unfair prejudicial employment practices. This aforesaid affirmation shall form part of the Board Report on Corporate Governance that is required to be prepared and submitted together with the annual report.
- 5.3. The “Policy” as adopted by the Board and as amended from time to time shall be made available at the web site of the Company viz. www.intecapital.com.
- 5.4. Clarity in proceedings – Document investigation activities and conclusions in a clear and understandable fashion.
- 5.5. Action Prohibited by the Whistle Blower Policy subject to exceptions
 - 5.1. The Company shall not Threaten, discriminate or retaliate against an employee in any manner that affects the employee’s employment (i.e. compensation, job location, rights, immunities, promotions, or privileges) when an employee engages in an activity protected by the policy.
 - 5.2. This policy does not preclude a supervisor from taking appropriate action against an employee for misconduct, poor job performance, or a reduction in the workforce within the policy of the Company.
 - 5.3. Further this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of intimation by him and for legitimate reasons or cause under Company rules and policies.
 - 5.4. However, this policy does not protect an employee from an adverse action from misconduct, poor job performance, or subjection to a reduction in workforce unrelated to a communication made pursuant to the Whistle Blower Policy
 - 5.5. No adverse action shall be taken against an employee who participates or gives information in an investigation, or hearing or in any form of inquiry initiated by the Audit Committee.

- 5.6. Course of Action Available to the Employees: An employee who alleges adverse action (whistle blower) under the POLICY may approach to the Ethics Counsellors for appropriate relief within 6 months and not later than that, if any action is taken against the employee in violation of the policy.
- 5.7. The Employee has the burden of proof in establishing that he or she has suffered an adverse action for an activity protected under the POLICY. The management of the Company shall have an affirmative defense if it can establish by a preponderance of the evidence that the adverse action taken against the employee was due to employee misconduct, poor job performance, or a reduction of workforce unrelated to a communication made pursuant to the POLICY.
- 5.8.1. **Remedies** – The Ethics Counsellors rendering judgment under the POLICY may order any or all of the following remedies:
 - order an injunction to restrain continued violation of the provisions of the POLICY
 - reinstate the employee to the same position or to an equivalent position;
 - reinstate full fringe benefits and retirement service credit;
 - order compensation for lost wages, benefits, and any other remuneration;
- 5.8.2. **Appeal:** The affected Employee or Director may appeal against the judgment of the Ethics Counsellors to Audit Committee of Board of Directors of the Company.

6. INVESTIGATION:

- 6.1.1. All Protected Disclosures reported under this Policy will be thoroughly investigated by the CEC / Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand.
- 6.1.2. The CEC / Chairman of the Audit Committee may at their discretion, consider involving any Investigators for the purpose of investigation.
- 6.1.3. The decision to conduct an investigation taken by the CEC / Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
- 6.1.4. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 6.1.5. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 6.1.6. Subjects shall have a duty to co-operate with the CEC / Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 6.1.7. Subjects have a right to consult with a person or persons of their choice, other than the CEC / Investigators and/or members of the Audit Committee and/or the Whistleblower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- 6.1.8. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- 6.1.9. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good

evidence in support of the allegation.

- 6.1.10. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 6.1.11. The investigation shall be completed normally within 45 days of the receipt of the Protected disclosure.

7. SECRECY AND CONFIDENTIALITY

7.1 The Whistle Blower, the Target, the Ethics Counsellors and everyone involved in the process shall:

- a) maintain complete confidentiality/ secrecy of the matter
- b) not discuss the matter in any informal/social gatherings/ meetings
- c) discuss only to the extent or with the persons required for the purpose of completing the process and investigations
- d) not keep the papers unattended anywhere at any time
- e) keep the electronic mails/files under password

7.2. If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

8. ANONYMOUS ALLEGATION

Whistleblowers must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. **Disclosures expressed anonymously will ordinarily NOT be investigated.**

9. PROTECTION TO WHISTLEBLOWER

- i. If one raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. The retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available provided that:
- ii. The communication/ disclosure is made in good faith
- iii. He / She reasonably believes that information, and any allegations contained in it, are substantially true; and
- iv. He / She is not acting for personal gain
- v. Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.

- vi. However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.
- vii. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and discipline of any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.
- viii. Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

10. ACCOUNTABILITIES – WHISTLEBLOWERS

- 10.1 Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- 10.2 Avoid anonymity when raising a concern
- 10.3 Disclosure should be related “Alleged Wrongful Conduct”
- 10.4 False Complaints” are not entertained.
- 10.5 Follow the procedures prescribed in this policy for making Disclosure
- 10.6 Co-operate with investigating authorities, maintaining full confidentiality
- 10.7 The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty Disclosures. Malicious allegations by employees may attract disciplinary action
- 10.8 A whistleblower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation.
- 10.9 Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the Subject and important evidence is likely to be destroyed.
- 10.10 In exceptional cases, where the whistleblower is not satisfied with the outcome of the investigation carried out by the Ethics Counsellors or the Committee, he/she can make a direct appeal to the Chairman of Audit Committee of the Company.

11. ACCOUNTABILITIES – ETHICS COUNSELLORS AND ETHICS COUNSELLORS COMMITTEE

- 11.1 Conduct the enquiry in a fair, unbiased manner

- 11.2 Ensure complete fact-finding
- 11.3 Maintain strict confidentiality
- 11.4 Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom
- 11.5 Recommend an appropriate course of action - suggested disciplinary action, including dismissal, and preventive measures
- 11.6 Minute Committee deliberations and document the final report

12. MANAGEMENT ACTION ON FALSE DISCLOSURES

- 12.1 An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures.
- 12.2 Further this policy may not be used as a defense by an employee against whom an adverse personnel action has been taken independent of any disclosure of intimation by him and for legitimate reasons or cause under Company rules and policies.

13. ACCESS TO "DISCLOSURES" REPORTS AND DOCUMENTS

All reports and records associated with "Disclosures" are considered confidential information and access will be restricted to the Whistleblower, the Ethics Counsellors Committee and Ethics Counsellors. Disclosures and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at that time.

14. 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 minimum period of seven (7) years or such other statutory period as required by law whether lower than seven (7) years or higher than seven (7) years.

15. DECISION AND REPORTING

- 15.1 A quarterly status report on the total number of complaints received during the period, with summary of the findings of the Ethics Counsellors Committee and the corrective actions taken shall be placed before the Audit Committee of the Company.
- 15.2 If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- 15.3 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.
- 15.4 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.

16. COMPANY POWERS

- 16.1 The Company is entitled to amend, suspend or rescind this policy at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures.
- 16.2 Such difficulties or ambiguities will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.

17. PROCEDURE FOR REPORTING & DEALING WITH DISCLOSURES

As specified by the company from time to time separately.

18. NOTIFICATION

- 18.1 All departmental heads are required to notify & communicate the existence and contents of this policy to the employees of their department. Every departmental head shall submit a certificate duly signed by him to the Compliance Officer that this policy was notified to each employees of his department. The new employees shall be informed about the policy by the Personnel department and statement in this regard should be periodically submitted to the Compliance Officer.
- 18.2 This policy as amended from time to time shall be made available at the Web site of the Company.

19. Review / Amendment of the Policy

- 19.1 The Policy shall be reviewed periodically in accordance with review of internal control and check as well as changes or any regulatory requirements from time to time.
- 19.2 The Board of Directors of the Company, subject to applicable laws, rules & Regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.
- 19.3 On behalf of Board of Directors, the Managing Director is allowed to change in case urgency of change and implementation of Policy and subsequently get the Policy ratified by the Board of directors.
- 19.4 In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.
- 19.5 This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto.

20. CONCLUSION

20.1 The Company's Code of Conduct as well as the Company's policies and practices have been developed as a guide to our legal and ethical responsibilities to achieve and maintain the highest business standards. Conduct that violates the Company's policies are viewed as unacceptable by the Company.

20.2 Certain violations of the Company's policies and practices could even subject the Company and any individual employee involved to civil and criminal penalties. Before issues escalate to such level, Personnel are encouraged to report any violations covered herein above, or reprisal, discrimination or adverse employment consequences related to such reports.

20.3 The contact details of the chairman of Audit Committee and ethics counsellor are as under:

Mr. S.K. Goel, Chairman of Audit Committee	Address: Resident of H-36A, Saket, New Delhi-110017, Email Id: aeisndt@gmail.com
Ethics Counsellors Intec Capital Limited	Address: Administrative Office: 708, Manjusha Building, 57, Nehru Place New Delhi-110019 Email: ethics.counselor@inteccapital.com
