

Ref: InP/22-23/BM/12082022

Date: 12th August, 2022

To
BSE Limited
Dy. General Manager
Corporate Relationship Department
P. J. Towers, Dalal Street
Mumbai- 400 001

Re: COMPANY CODE: 501298

Sub: OUTCOME OF BOARD MEETING HELD ON 12th AUGUST, 2022

Dear Sir,

In accordance with Regulation 30 of the SEBI Listing (Obligations and Disclosure Requirements) Regulations, 2015 read with circular CIR/CFD/CMD/4/2015 dated 9th September, 2015, (LODR), we hereby intimate you the following outcome of the meeting of the Board of Directors of the Company held today, the 12th August, 2022:

1. Unaudited Financial Results for the quarter ended 30th June 2022 as approved by the Board of Directors

- a. Unaudited Standalone and Consolidated Financial Results for the quarter ended 30th June, 2022.
- b. Auditors' Limited Review Report on the Standalone Financial Results
- c. Auditors' Limited Review Report on the Consolidated Financial Results

2. Adoption of Policies of the Company

The Board adopted the following Policies and Codes of the Company:

- a. Code of Practices and Procedures for Fair Disclosure - PIT
- b. Code of Conduct to regulate, monitor and report trading by their designated persons - PIT

- c. Policy for preservation of documents
- d. Policy for determining material subsidiary
- e. Materiality of related party transactions and on dealing with related party transactions
- f. Policy for determination of materiality of events and information
- g. Archival Policy
- h. Details of familiarization programmes imparted to independent directors
- i. Code of conduct for its board of Directors and senior management personnel
- j. Vigil Mechanism - Whistle Blower policy
- k. Policy relating to remuneration of the directors, key managerial personnel and other employees
- l. Prevention of Sexual Harassment Policy
- m. Policy on Risk Management and Monitoring
- n. Fair Practice Code as per RBI
- o. Investment Policy
- p. CSR policy

The Policies and Codes are attached herewith for your reference. Financials are being published separately.

The meeting commenced at 4:00 pm and concluded at 5:00 pm.

This is for your information and records.

For **Industrial & Prudential Investment Company Ltd.**



Ayan Datta
Company Secretary

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

FAIR PRACTICE CODE

1. BACKGROUND

The Company had formulated a Code Of Practices And Procedures For Fair Disclosure Of Unpublished Price Sensitive Information Under Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015. With the recent changes in SEBI (Prohibition of Insider Trading) Regulations, 2015, (PIT) the Company has revised the existing Code which has been approved by the Board of Directors at its meeting held on 12th August, 2022. This Code supersedes any other earlier Code under PIT.

2. OBJECTIVE

The Objective of formulation of the Fair Practice Code is to comply with the Regulations 8 read with Schedule A of the PIT.

The legitimate purpose of this code is sharing of unpublished price sensitive information in the ordinary course of business by an insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of these regulations.

As per PIT the same is placed on the website of the Company.

3. 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. "**Chief Investor Relations Officer**" means Managing Director and Chief Financial Officer.
- d. "**Company**" means Industrial & Prudential Investment Co. Ltd.
- e. "**Compliance Officer**" means a company secretary of the Company who shall act as the same under the Listing Regulations and PIT.
- f. "**Fair Practice Code**" means any code formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015, (PIT) and includes any subsequent amendments
- g. "**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 .
- h. "**PIT**" means SEBI (Prohibition of Insider Trading) Regulations, 2015
- i. "**SEBI**" means the Securities and Exchange Board of India.
- j. "**Rules**" means the rules made under the Companies Act, 2013.
- k. "**Stock Exchange(s)**" means BSE Limited where the equity shares of the Company are listed.
- l. "**unpublished price sensitive information**" (**UPIS**) means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel.

4. FAIR PRACTICE CODE

This Code is as near as to principles laid down in Regulation 8 read with Schedule A of the PIT. This Code aims at fair disclosure of events and occurrences that could impact price discovery in the market for its securities based on the principles of equality of access to information, publication of policies such as those on dividend, inorganic growth pursuits, calls and meetings with analysts, and publication of transcripts of such calls and meetings.

In terms of this Code the Company will ensure that:

- a. Prompt public disclosure of unpublished price sensitive information ('UPSI') that would impact price discovery, as soon as it has credible and concrete information, in order to make such information generally available i.e. make the information available to the public on a non-discriminatory basis.
- b. Uniform and universal dissemination of UPSI to avoid selective disclosure.
- c. Prompt dissemination of UPSI that may get disclosed selectively, inadvertently or otherwise, to make such information generally available.

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- d. Appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities, other than news reports motivated by vested interests, the clarification of which is likely to be detrimental to the interests of the Company and the shareholders or to the advantage of the Company's competitors, existing or potential.
- e. That information shared with analysts and research personnel is not UPSI
- f. During interactions with the investor community, no UPSI is disclosed selectively to any one or group of research analysts or investors to the disadvantage of other stakeholders.
- g. In the unlikely event of any UPSI being disclosed selectively, inadvertently or otherwise, at a meeting with analysts or at any investor relations conference, such UPSI would be promptly communicated to the Stock Exchanges where the Company's securities are listed.
- h. material content of communication shared with analysts and at investor relations conferences will be put up on the Company's website.
- i. handling of all UPSI is on a need-to-know basis. UPSI may however be disclosed to persons who need such information for furtherance of legitimate purposes, performance of duties or discharge of legal obligations in relation to the Company.

Communication of UPSI for legitimate purpose

UPSI shall be considered to be communicated for legitimate purpose when any employee or any other insider (who is in possession of such information):

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- I. communicates such information, in the ordinary course of business, to the auditors, lenders, customers, suppliers, legal advisers, merchant bankers, partners, collaborators, insolvency professionals or any other advisers or consultants as may be considered necessary
- II. submits or provides such information to a court of law or any governmental or regulatory authority;
- III. communicates or shares such information for any other genuine or reasonable purpose as may be determined jointly by the Compliance Officer and the Chief Investor Relations Officer appointed by the Board of Directors of the Company ('the Board') under the Regulations

Any person or entity in receipt of UPSI pursuant to 'legitimate purpose', as stated above, shall be considered an 'Insider' for the purpose of the Regulations and due notice shall be given to such person or entity to maintain confidentiality of the UPSI.

Chief Investor Relations Officer shall be in charge of dealing with dissemination of information and disclosure of UPSI relating to the Company to the investors, analysts, press and electronic / social media.

5. 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. Any such amendments shall be intimated to the Stock Exchange and placed on the Website of the Company.

6. SCOPE AND LIMITATIONS

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or PIT or any other statutory enactments or rules, the provisions of Listing Regulations/Act/PIT 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.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

**MINIMUM STANDARDS FOR CODE OF CONDUCT TO REGULATE,
MONITOR AND REPORT TRADING BY DESIGNATED PERSONS**

1. BACKGROUND

The Company has formulated a MINIMUM STANDARDS FOR CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING BY DESIGNATED PERSONS under Regulation 9 read with Schedule B of SEBI (Prohibition of Insider Trading) Regulations, 2015.

With the recent changes in SEBI (Prohibition of Insider Trading) Regulations, 2015, (PIT) the Company has revised the existing Code which has been approved by the Board of Directors at its meeting held on 12th August, 2022. This Code supersedes any other earlier Code under PIT.

The Designated persons have been identified. However, with changes in administrative structure , the same has been updated.

2. 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. "**Chief Investor Relations Officer**" means Managing Director and Chief Financial Officer.

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- d. "**Company**" means Industrial & Prudential Investment Company Limited
- e. "**Compliance Officer**" means a company secretary of the Company who shall act as the same under the Listing Regulations and PIT.
- f. " Designated Person" means persons identified by the Board of Directors in consultation with the Compliance Officer.
- g. "**Fair Practice Code**" means any code formulated under SEBI (Prohibition of Insider Trading) Regulations, 2015, (PIT) and includes any subsequent amendments
- h. "**insider**" means any person who is a connected person or in possession of or having access to unpublished price sensitive information
- i. "**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 .
- j. "**PIT**" means SEBI (Prohibition of Insider Trading) Regulations, 2015
- k. "**SEBI**" means the Securities and Exchange Board of India.
- l. "**Rules**" means the rules made under the Companies Act, 2013.
- m. "**Stock Exchange(s)**" means BSE Limited where the equity shares of the Company are listed.
- n. "**unpublished price sensitive information**" (**UPIS**) means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel.

3. DESIGNATED PERSONS

The Board of Directors in consultation with the Compliance Officer has identified the following persons as Designated Persons as they are deemed to have UPIS

- a. Promoters
- b. Directors
- c. Managing Director
- d. Chief Financial Officer
- e. Company Secretary
- f. Senior Accountant of the holding company maintaining books of account of the Company
- g. Support staff including Taxation adviser and IT service provider
- h. Internal Auditor

4. CODE AND POLICY

- a. The compliance officer shall report to the board of directors and in particular to the Chairman of the Audit Committee and to the Chairman of the Board of Directors once in a Financial year.

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- b. All information shall be handled within the organisation on a need-to-know basis and no unpublished price sensitive information shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. Procedure of Chinese Walls and “crossing the wall” shall apply.
- c. Designated Persons and immediate relatives of designated persons] in the organisation shall be governed by an internal code of conduct governing dealing in securities.
- d. Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.
- e. Trading restriction period (Window Closure) shall be made applicable from the end of every quarter till of end 48 hours after the event where unpublished price sensitive information (UPSI) is considered for approval.
- f. The gap between clearance of accounts by audit committee and board meeting should be as narrow as possible and preferably on the same day to avoid leakage of material information.

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- g. The timing for re-opening of the trading window shall be determined by the compliance officer taking into account various factors including the unpublished price sensitive information in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
- h. When the trading window is open, trading by designated persons shall be subject to pre-clearance by the compliance officer, if the value of the proposed trades is above Rs.10,00,000 (Rupees Ten Lakh).
- i. Prior to approving any trades, the compliance officer shall be entitled to seek declarations to the effect that the applicant for pre-clearance is not in possession of any unpublished price sensitive information. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.
- j. Preclearance approval shall be executed by the designated persons within seven trading days from the approval.
- k. The designated person shall not execute contract trade within 6 months of earlier approval. The compliance officer is empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit to the Investor Protection and Education Fund administered by the Board under the Act.

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1. The Compliance Officer in consultation with the Chairman of the Board of to stipulate such formats for making applications for pre-clearance, reporting of trades executed, reporting of decisions not to trade after securing pre-clearance and for reporting level of holdings in securities at such intervals as may be determined as being necessary to monitor compliance with these regulations.
- m. Disciplinary action shall be taken by the Board of Directors against the designated person for violating the code of conduct.
- n. Designated persons shall disclose names and Permanent Account Number or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes to the Compliance Officer:
 - a) immediate relatives
 - b) persons with whom such designated person(s) shares a material financial relationship
 - c) Phone, mobile and cell numbers which are used by them
 - d) In addition, the names of educational institutions from which designated persons have graduated and names of their past employers shall also be disclosed on a one-time basis.

5. COMMUNICATION OR PROCUREMENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION EXCEPT LEGITIMATE PURPOSE

No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

**INP MONITORING ETC OF
FAIR PRACTICE CODE 2022 REGULATION 9
PROHIBITION OF INSIDER TRADING**

No person shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

The board of directors of the company has made a policy for determination of “legitimate purposes” as a part of “Codes of Fair Disclosure and Conduct” formulated under regulation 8.

6. DIGITAL RECORDS

Under Regulation 3(5) and 3(6) the Company has internally developed and ensured maintenance of a structured digital database containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. The system has adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. As per Archival policy this data base will be preserved for eight years.

7. COMMUNICATION OF THE CODE TO DESIGNATED PERSONS

This Code has been circulated to the Designated Persons to make them aware of their duties and liabilities.

8. TRADING PLAN

As per Regulation 4 of PIT, no insider shall trade in securities of the Company when in possession of unpublished price sensitive information. However, as per regulation 5 of PIT, such insider who may be perpetually in possession of unpublished price sensitive information and enabling them to trade in securities in a compliant manner shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.

9. 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. Any such amendments shall be intimated to the Stock Exchange and placed on the Website of the Company.

10. SCOPE AND LIMITATIONS

In the event of any conflict between the provisions of this Policy and the Act or Listing Regulations or PIT or any other statutory enactments or rules, the provisions of Listing Regulations/Act/PIT 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.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

POLICY ON PRESERVATION OF DOCUMENTS

1. BACKGROUND

The Company is governed by many statutes for preservation of documents and records. They are:-

- a. Companies Act, 2013
- b. Income Tax Act, 1961
- c. RBI regulations for NBFC accepting deposits and money laundering regulations
- d. SEBI (Listing Obligations and Disclosure) Regulations, 2015.(LODR)

2. OBJECTIVE

The objective of this policy is to comply with Regulation 9 of Chapter V of LODR.

As per Regulation 9 of LODR, the Company shall have a policy for preservation of documents, approved by its board of directors, classifying them in at least two categories as follows-

- (a) documents whose preservation shall be permanent in nature ;
- (b) documents with preservation period of not less than eight years after completion of the relevant transactions:

Under the era of digitalisation, the above Acts and Regulations permit preservation of documents in electronic mode with necessary safeguard. The Board of Directors has approved this policy at its meeting held on 12th August, 2022.

3. DEFINITIONS

- a. **“Applicable Laws”** means any law, rules, circulars, guidelines or standards issued by Securities Exchange Board of India, Ministry of Corporate Affairs and The Institute of Company Secretaries of India under which the preservation of the Documents has been prescribed.
- b. **"Board"** means the Board of Directors of the Company.
- c. **"Company"** means Industrial & Prudential Investment Company Limited
- d. **“Document(s)”** refers to papers, notes, agreements, notices, advertisements, requisitions, orders, declarations, forms, correspondence, minutes, indices, registers and or any other record, required under or in order to comply with the requirements of any Applicable Laws whether issued, sent, received or kept in pursuance of the Act or under any other law for the time being in force or otherwise, maintained on paper or in Electronic Form and does not include multiple or identical copies
- e. **“Electronic Record(s)”** means the electronic record as defined under clause (t) of subsection (1) of section 2 of the Information Technology Act, 2000.
- f. **“Electronic Form”** with reference to information means any information generated, sent, received or stored in media, magnetic, optical, computer memory, microfilm, computer generated micro fiche or similar device;
- g. **"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.
- h. **"Policy"** means this policy, as amended from time to time.

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- i. **“Preservation”** means to keep in good order and to prevent from being altered, damaged or destroyed.
- j. **“SEBI”** means the Securities and Exchange Board of India.
- k. **“Rules”** means the rules made under the Companies Act, 2013.
- l. **“Stock Exchange(s)”** means BSE Limited where the equity shares of the Company are listed.

4. PURPOSE & SCOPE

The purpose of this Policy is to ensure that necessary records and documents of the Company are adequately protected and maintained and to ensure that records that are no longer needed by the Company or are of no value are discarded at the proper time. The Company understands that records form an essential and significant part of the Company's resources.

5. POLICY

- a. Documents whose preservation shall be permanent in nature as per Applicable Laws, shall be preserved permanently.
- b. Documents with preservation period of not less than eight years after completion of the relevant transactions per Applicable Laws, shall be preserved for eight years for the relevant date or after completion of the relevant transactions.
- c. Documents with preservation period of less than eight years after completion of the relevant transactions as per Applicable Laws, shall be preserved for such period.
- d. Documents pertaining to any ongoing litigation, proceedings, complaint, dispute, contract or any like matter, where there is no such requirement as per Applicable Laws, then such documents shall be preserved for such period till the subject matter is closed/completed/settled as the case may be or otherwise.

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- e. Documents like License, Registration, and Permission etc shall be preserved permanently, unless the relevant activities/matter is closed and no longer required in future.
- f. Documents like Deed/Agreements /Ownership right etc in relation to Immovable properties shall be permanently preserved unless such Immovable Properties is no longer properties of the Company.

6. MANNER OF PRESERVATION

- ❖ Documents in physical or electronic mode as may be permitted by law shall be preserved with all the possible measures to ensure the data is secure and safe as the case may be.
- ❖ Company shall take possible/ feasible steps so as to prevent the documents from being damaged / mutilated/ altered/ destroyed. If the documents are in electronic mode, necessary care shall be taken to avoid corruption of files and also should have proper back-up of electronic records
- ❖ The preservation of Documents shall be preserved as to ensure that there is no tampering, alteration, destruction, or anything which endangers the content, authenticity, utility or accessibility of the Documents.
- ❖ The Company Secretary of the Company, who is authorised to observe the compliance of requirement of respective Applicable Laws and rules, regulation thereunder etc. as the case may be, shall be responsible for the preservation of the Documents in accordance with this policy.

7. POLICY REVIEW

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

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modification shall be inconsistent with the applicable provisions of any law for the time being in force.

8. 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.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

POLICY ON MATERIAL SUBSIDIARY

1. BACKGROUND

The Company had formulated a POLICY ON MATERIAL SUBSIDIARY in February 2016. With the recent changes in SEBI (Listing Obligations and Disclosure) Regulations, 2015 as amended (LODR), the Company has revised the policy which has been approved by the Board of Directors at its meeting held on 12th August, 2022. This policy supersedes any earlier policy.

2. OBJECTIVE

The objective of this policy is to comply with Regulation 16(c) of Chapter V of LODR.

As per the said regulation “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Further as per the said regulation the listed entity shall formulate a policy for determining ‘material’ subsidiary.

The subsidiary shall be defined as per the Companies Act, 2013

3. 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. "**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 .
- e. "**Policy**" means this policy, as amended from time to time.
- f. "**SEBI**" means the Securities and Exchange Board of India.
- g. "**Rules**" means the rules made under the Companies Act, 2013.
- h. "**Stock Exchange(s)**" means BSE Limited where the equity shares of the Company are listed.

4. POLICY

- a. A subsidiary shall be a Material Subsidiary, if conditions laid down in Regulation 16(c) are applicable to the existing subsidiary.
- b. One Independent Director of the Company shall be a Director on the Board of the Material Non-Listed Indian Subsidiary Company.
- c. The Audit Committee of the Board of the Company shall review the financial statements, in particular, the investments made by the unlisted subsidiary Company on an annual basis.
- d. The minutes of the Unlisted Subsidiary Companies shall be placed before the Board of the Company.
- e. The Management shall periodically bring to the attention of the Board of Directors of the Company, a statement of all Significant Transactions and Arrangements entered into by the unlisted subsidiary Company

5. DISOSAL OF MATERIAL SUBSIDIARY

The Company shall not:

- A. dispose of the shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting, except in cases where divestment is made under a scheme or arrangement duly approved by a Court/Tribunal.
- B. sell, dispose off and lease assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year without prior approval of shareholders by way of special resolution, unless the sale / disposal / lease is made under a scheme of arrangement duly approved by a Court/Tribunal.

6. Policy Review

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.

7. 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.

8. PRESENT SITUATION

At present the Company has one non - material unlisted wholly owned subsidiary. It is registered NBFC with the Reserve Bank of India. Currently members have approved merger of the subsidiary with Company subject to approval of NCLT. This policy will be applicable if in future the Company acquires material subsidiary.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

Policy on Related Party Transactions

1. OBJECTIVE

The objective of this policy is to comply with Regulation 23 of Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. (LODR).

As per the Regulations 23 of LODR (Listing Regulations) the Company is required to formulate a policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once every three years and updated accordingly.

This Policy also aims to ensure compliance of the applicable provisions of the Companies Act, 2013 & Rules made thereunder, and Indian Accounting Standard (IND AS) 24.

One of the key functions of the Board of Directors, **as laid down in LODR** is Monitoring and managing potential conflicts of interest of management, members of the board of directors and shareholders, including misuse of corporate assets and abuse in related party transactions.

This policy is framed in the light of above regulations.

2. DEFINITIONS

- a. **“Act”** means the Companies Act, 2013 as amended from time to time.
- b. **“Arms’ Length Transaction”** shall mean:
 - i. a transaction between the Company and the Related Party that is conducted as if they were unrelated, so that there is no conflict of interest; and
 - ii. the price charged for the transactions to a Related Party has in no case been influenced by the relationship and meets the criteria prescribed in Transfer Pricing Guidelines prescribed under the Income- tax Act, 1961.
- c. **“Board”** means the Board of Directors of the Company.
- d. **“Company”** means Industrial & Prudential Investment Company Limited
- e. **“Key Managerial Personnel”** shall mean
 - 1. the Chief Executive Officer or the managing director or the manager;
 - 2. the company secretary;
 - 3. the whole-time director;
 - 4. the Chief Financial Officer;
 - 5. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - 6. such other officer as may be prescribed.
- f. **“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.
- g. **“Policy”** means this policy, as amended from time to time.

- h. “Promoter and Promoter Group”** shall have the same meaning as assigned to them respectively regulation 2 of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- i. “related party”** means a related party as defined under section 2(76) of the Act or under the applicable accounting standards.

Provided that:

- (a) any person or entity forming a part of the promoter or promoter group of the listed entity; or
- (b) any person or any entity, holding equity shares:
 - (i) of twenty per cent or more; or
 - (ii) of ten per cent or more, with effect from April 1, 2023;in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediately preceding financial year; shall be deemed to be a related party:]
- j. “related party transaction” as per LODR** means a transaction involving a transfer of resources, services or obligations between:
 - (a) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand; or
 - (b) a listed entity or any of its subsidiaries on one hand, and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the listed entity or any of its subsidiaries, with effect from April 1, 2023;

regardless of whether a price is charged and a “transaction” with a related party shall be construed to include a single transaction or a group of transactions in a contract:

Provided that the following shall not be a related party transaction:

- (i) the issue of specified securities on a preferential basis, subject to compliance of the requirements under the Securities and

Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(ii) the following corporate actions by the listed entity which are uniformly applicable/offered to all shareholders in proportion to their shareholding:

- i. payment of dividend;
- ii. subdivision or consolidation of securities;
- iii. issuance of securities by way of a rights issue or a bonus issue; and
- iv. buy-back of securities

k. "related party transactions" read with para (j) shall also include transactions mentioned under section 188 and rules made thereunder.

l. "relative" means relative as defined under section 2 (77) of of the Companies Act, 2013 and rules prescribed there under

m. "SEBI" means the Securities and Exchange Board of India.

n. "Rules" means the rules made under the Companies Act, 2013.

o. "Stock Exchange(s)" means BSE Limited where the equity shares of the Company are listed

3. ORDINARY COURSE OF BUSINESS

Ordinary Course of Business shall mean the usual transactions, customs and practices undertaken by the Company to conduct its business operations and activities and includes all such activities which the Company can undertake as per Memorandum & Articles of Association.

4. POLICY

The Board of Directors has framed this policy based on the Listing Regulations and the Act. The same is approved at its meeting held on 12th August, 2022.

The main features of the policy are as follows

The policy is applicable to material related party transactions. It means a transaction to be entered into with and between Related Parties, individually or taken together with previous transactions during a financial year, exceeding the threshold of:

- 5% of the annual consolidated turnover of the Company as per its last audited financial statements, in case of transactions involving payments made with respect to brand usage or royalty, or
- Rs. 1000 Crores or 10% of the annual consolidated turnover of the Company as per its last audited financial statements, whichever is lower, in case of any other transaction(s).

Identification of Related Parties

The Company may seek requisite disclosures and information, as may be deemed necessary, to identify a Related Party.

Review and Approval of Related Party Transactions

1. Approval Independent of Directors of Members of Audit Committee is required. Approval is to be granted at a meeting or circular resolution.
2. All the relevant information/documents relating to the proposed Related Party Transaction(s) shall be placed before the Audit Committee to take a decision on the proposed Related Party transactions.
3. The Audit Committee may appoint an expert preferably a Chartered Accountant conversant with and having relevant experience in the area of Transfer Pricing Regulations as a Related Party Transaction

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Auditor (RPT Auditor) who shall peruse and review all the transactions and provide a report whether the Related Party Transactions are in the ordinary course of business and on an arms' length basis.

4. Wherever necessary, the Audit Committee may, after examining all the documents and the Report of the RPT Auditor, if any, grant omnibus approval for Related Party Transactions, proposed to be entered into by the Company with conditions, if any.
5. The Audit Committee shall also review the status of long-term (more than one year) or recurring Related Party Transactions on an annual basis.
6. In addition to the above, prior approval of Audit Committee of the Company shall be required for a Related Party Transaction where the subsidiary(ies) of a company is a party but the Company is not a party and the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company (w.e.f April 1, 2023, 10% of the annual standalone turnover, as per the last audited financial statements of such Subsidiary).
7. The Audit Committee shall consider the information/documents related to Related Party Transactions placed before it and either approve or reject the same on merit.
8. All related party transactions and subsequent material modifications] shall require prior approval of the audit committee of the listed entity.

APPROVAL OF THE BOARD

1. The following Related Party Transactions shall, after the approval of the Audit Committee, also be placed before the Board of Directors for approval:
 - a. Transactions not at arm's length.
 - b. Transactions not in ordinary course of business.
 - c. Material Related Party transactions as specified above
2. The Board of Directors shall consider the information/documents pertaining to the Related Party Transactions as placed before the audit committee.
3. The Board shall either approve or reject the same on merit.
4. Interested director shall not be present at the Board Meeting, neither during the discussion on the subject matter, nor at the time of voting on the resolution relating to such Related Party Transaction.

Approval by the Shareholders

The following Related Party Transactions, after the approval of Board, shall also be placed before the shareholders for their prior approval

- a. All Material Related Party transactions and subsequent material modifications thereto.
- b. All Related Party Transactions which are not in the ordinary course of business or not at arm's length and which are in excess of the limits prescribed under the Act requiring the approval of shareholders.

Clause (a) and (b) shall not be applicable in case of transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

The Board of Directors shall, decide whether the approval of the Related Party Transactions by the shareholders shall be sought at the General Meeting or through Postal Ballot in accordance with the Act and Rules thereunder.

In case of all the material Related Party Transactions requiring approval of the shareholders through resolution, no Related Party shall vote to approve such resolutions whether the entity is a Related party to the particular transaction or not.

Ratification of Related Party Transactions in exceptional cases

Any Related Party Transaction which is not under omnibus approval, entered into by the Company with a Related Party, without obtaining the consent of Audit Committee or the Board of Directors or approval of shareholders in General Meeting, may in genuine cases be ratified by the Audit Committee or the Board of Directors or the shareholders at a General Meeting, as permitted under the applicable laws, provided that such Director or any other employee who had authorised such transactions agrees to indemnify the Company against loss incurred by the Company, if any.

Disclosure

- a. The Company shall maintain a register pursuant to Section 189 of the Act and enter therein the particulars of all the Related Party Transactions with a Related Party.

- b. Disclosures as appropriate concerning the Related Party Transactions and/or Material Related Party Transactions shall be made in the Annual Report of the Company including its Financial Statements, on the website of the Company and also to the Stock Exchanges where equity shares of the Company are listed and to such other authority as may be prescribed from time to time.

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.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED
CIN: L65990WB1913PLC218486

**POLICY FOR DETERMINATION OF MATERIALITY OF
EVENTS OR INFORMATION**

1. BACKGROUND

The Company had formulated a POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS OR INFORMATION in February 2016. With the recent changes in SEBI (Listing Obligations and Disclosure) Regulations, 2015 as amended (LODR), the Company has revised the policy which has been approved by the Board of Directors at its meeting held on 12th August, 2022. This policy supersedes any earlier policy.

2. OBJECTIVE

- A. The objective of this Policy is to ensure that the Company complies with the disclosure obligations to which it is subject as a publicly traded company as laid down by the Listing Regulations, various securities laws and any other legislations.
- B. To ensure that the information disclosed by the Company is timely and transparent.
- C. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- D. To protect the confidentiality of material/ price sensitive information within the context of the Company's disclosure obligations.
- E. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- F. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

3. 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.

4. DISCLOSURE OF EVENTS OR INFORMATION

Regulation 30 of LODR (Regulation) makes it obligatory to make disclosure of events which are material in nature in the opinion of the Board of Directors.

The Regulation prescribes broad framework of the policy of disclosure which forms part of this policy.

- a. Events specified in Para A of Part A of Schedule III are deemed to be material events and listed entity shall make disclosure of such events.

**INP POLICY FOR DETERMINATION OF MATERIALITY OF
EVENTS FOR INFORMATION 2022**

- b. The Company considers the following criteria for determination of materiality of events/ information:
- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
 - the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
 - an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.
 - The Board of Directors has laid down criteria of materiality as under

EVENTS WHICH SHALL BE DISCLOSED UPON APPLICATION OF THE GUIDELINES FOR MATERIALITY REFERRED SUB-REGULATION (4) OF REGULATION (30)

Sr No	Events as per Para B of Part A of Schedule III	Materiality Threshold
	Change in the general character or nature of business or adoption of new lines of business or closure of operations of any unit/ division (entirety or piecemeal)	The investment in the unit / division is not less than 10% of the consolidated net worth of the Company OR the expected turnover from the unit / division is not less than 10% of the consolidated turnover of the Company of preceding Financial Year; whichever is higher.
	Effect(s) arising out of change in the regulatory framework applicable to the listed entity	The affected turnover by change in regulatory framework is not less than 10% of the consolidated turnover of the Company of the preceding Financial Year

**INP POLICY FOR DETERMINATION OF MATERIALITY OF
EVENTS FOR INFORMATION 2022**

Sr No	Events as per Para B of Part A of Schedule III	Materiality Threshold
	Litigation(s)/dispute(s)/regulatory action(s) with impact	5% of the consolidated annual turnover or consolidated net worth of preceding Financial Year, whichever is more.
	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity	10% of the consolidated annual turnover or consolidated net worth of preceding Financial Year, whichever is more.
	Giving of guarantees or indemnity or becoming a surety for any third party	Exceeding the threshold as defined under Section 186 of the Companies Act, 2013 (Excluding Wholly Owned Subsidiary).
	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals	The affected turnover by such grant, withdrawal, surrender, cancellation or suspension is not less than 10% of the consolidated annual turnover of the preceding Financial Year.
	Events as per Para C of Part A of Schedule III	
	Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.	10% of the consolidated annual turnover of the preceding Financial Year

5. AUTHORISED KEY MANAGERIAL PERSONNEL (KMP)

The following KMPs are hereby severally authorized by Board of Directors for the purpose of determining materiality of an event or

information and for the purpose of making disclosures to Stock Exchange(s).

- Managing Director
- Chief Financial Officer
- Company Secretary

6. OTHER REQUIREMENTS OF DISCLOSURE AS PER REGULATION

- A. disclose to stock exchange(s) of all events, as specified in Part A of Schedule III, or information as soon as reasonably possible and not later than twenty-four hours from the occurrence of event or information and in case of delay to provide explanation for delay.
- B. Disclosure with respect to events specified in sub-para 4 of Para A of Part A of Schedule III shall be made within ¹the timelines specified therein.
- C. To make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- D. To disclose on the website of the Company all such events or information which has been disclosed to stock exchange(s) under this regulation, for a minimum period of five years, and thereafter as per the archival policy of the listed entity, as disclosed on its website.
- E. To disclose all events or information with respect to subsidiaries which are material for the listed entity.
- F. To provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- G. The Company shall on its own initiative also, confirm or deny any reported event or information to stock exchange(s).
- H. The Company shall make disclosures of an event or an information available with the Company which has not been indicated in Para A or B of Part A of Schedule III, but which may have material effect on it.

7. 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.

8. 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.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

POLICY ON ARCHIVAL OF DOCUMENTS

1. BACKGROUND

The Company had formulated a POLICY ON ARCHIVAL OF DOCUMENTS in February 2016. With the recent changes in SEBI (Listing Obligations and Disclosure) Regulations, 2015 as amended (LODR), the Company has revised the policy which has been approved by the Board of Directors at its meeting held on 12th August, 2022. This policy supersedes any earlier policy.

2. OBJECTIVE

The objective of this policy is to comply with Regulation 30(8) of Chapter V of LODR.

As per the said regulation the Company is required to disclose on its website all such events or information which has been disclosed to stock exchange(s) under this regulation, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the listed entity, as disclosed on its website.

3. 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. "**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 .
- e. "**Policy**" means this policy, as amended from time to time.
- f. "**SEBI**" means the Securities and Exchange Board of India.
- g. "**Rules**" means the rules made under the Companies Act, 2013.
- h. "**Stock Exchange(s)**" means BSE Limited where the equity shares of the Company are listed.

4. PURPOSE & SCOPE

Pursuant to Regulation 30 of the Listing Regulations the Company shall disclose on its website all such events and information which have been disclosed to stock exchange(s) and shall be retained as given below.

5. POLICY

The disclosure made to the Stock Exchange shall be hosted on the Company's website for a minimum period of 5(five) years. The disclosures shall thereafter be archived under the heading "Archives" and shall be retained on the Company's website for such period as may be decided by the CS/CFO from time to time, subject to applicable law.

6. POLICY REVIEW

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.

7. 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.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

POLICY ON FAMILIARISATION PROGRAMME

1. BACKGROUND

In view of the provisions of Schedule IV to the Companies Act, 2013 read with the provisions of Regulation 25(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), THE company is required to familiarize its Independent Directors through various programmes about the business operations of the Company and place the details of the same on the website. The Board of Directors at its meeting held on 12th August, 2022 has adopted this programme and policy

2. OBJECTIVE

The objective of this policy is to comply with Regulation 25(7) of Chapter V of LODR.

The Policy provides the basic insights into the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in managing the affairs of the Company.

3. 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. **"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 .
- e. **"Policy"** means this policy, as amended from time to time.
- f. **"SEBI"** means the Securities and Exchange Board of India.
- g. **"Rules"** means the rules made under the Companies Act, 2013.
- h. **"Stock Exchange(s)"** means BSE Limited where the equity shares of the Company are listed.

4. **POLICY**

The programmes include the following:

- a) nature of the industry in which the Company operates;
- b) business model;
- c) roles, rights, responsibilities of independent directors; and
- d) any other relevant information.

5. **Initiatives for Induction on joining the Board of the Company**

A New Director will be welcomed to the Board of the Company by sharing the following documents of the Company for his / her references:

- Formal letter of appointment as Director of the Company.
- Memorandum and Articles of Association of the Company.
- Annual Reports of last three consecutive years.
- Criteria of Independence applicable to Independent Directors as per Regulation 16 of the SEBI (LODR) Regulations, 2015 and Section 149 of the Companies Act, 2013.
- Code of Conduct for Board of Directors and Senior Management.
- Code of Code of Conduct for Prohibition of Insider Trading.

- Note on Directors' roles, functions, duties, responsibilities and liabilities under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.
- Policy Handbook of the Company comprising of policies on various business aspects and practices.
- Organizational Chart of the Company and the profile of all the Directors and the Senior Managerial Personnel of the Company.
- List of Contact details of the Directors, Senior Managerial Personnel and their personal / executive assistants.
- Publicity material of the Company that explains the range of products, services and solutions offered by the Company to its clients.
- Board evaluation process and procedures.

6. FAMILIARIZATION AND CONTINUING EDUCATION PROCESS

This programme is a dynamic process. More the Independent director participates in the Board and Committee Meetings, he will gain experience about the Company.

- ❖ The Company through its Executive Director / Key Managerial Personnel will conduct programmes / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.
- ❖ Such programmes / presentations provide an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, organization structure, finance, and risk management and such other areas as may arise from time to time.

- ❖ The programmes/presentations also familiarise the Independent Directors with their roles, rights and responsibilities.

- ❖ When a new Independent Director comes on the Board of the Company, a meeting will be arranged with the Managing Director and Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.

- ❖ Apart from Independent Directors, Non-Executive Directors are also eligible to attend the familiarization programmes.

7. Policy Review

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.

8. 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.

9. PRESENT SITUATION

At present the programme has not been put in operation as all the Independent directors are senior professionals having rich executive experience and very much familiar with the business operations of the

Company. They have been associated with the Company nearly five years. The Board of Directors is of the opinion that the same would be made operational once new Independent director is inducted.

**INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED
CIN: L65990WB1913PLC218486**

**CODE OF CONDUCT
FOR
DIRECTORS AND SENIOR MANAGERS**

BACKGROUND

The Company had formulated a Code of Conduct for Directors and Senior Management in in February 2015. With the recent changes in SEBI (Listing Obligations and Disclosure) Regulations, 2015 as amended (LODR), amendments in the Companies Act, 2013 and development in the practice of Corporate Governance the Company has revised the existing code of conduct which has been approved by the Board of Directors at its meeting held on 12th August, 2022. This policy supersedes any earlier policy.

Duties of the Directors (collective and individual) have been laid down under

- a. The Companies Act, 2013 (the Act)
- b. LODR
- c. Various judicial pronouncements over the years
- d. SEBI (Prohibition of Insider Trading) Regulations, 2015

Broadly speaking, duties of directors are classified into three categories.

- a. Governance
- b. Risk management, and
- c. Compliance of applicable acts and regulatons.

The courts have held that Directors act as agents of Company and the latter acts through the former. Directors have been defined as Company's agents since they act in a fiduciary manner vis-à-vis the Company. They also perform acts and duties for the benefit of the company.

Directors as organs of Corporate Body

The organic theory of corporate life “treats certain officials as organs of the Company whose action the company is held liable just as a natural person is for the action of his limbs. Thus the modern directors are more than mere agents or trustees.

The Board is a primary organ of the Company. Directors and senior managers represent the directing mind or will of the Company and control what it does.

Duties of Directors are laid down in section 166 of the Act.

LODR lays down key functions of the Directors for effective corporate governance.

LODR and the Act have laid down separate qualification, liabilities, and code for Independent Directors.

FIDUCIARY DUTIES

They are based on the concept of good faith and are owed to the company as a result of the control that directors exercise over the Company. It is the duty of directors to act in the best interest of the Company.

Fiduciary duties are a Legal obligation and cannot be waived in any manner or form. The Fiduciary Duties of the Directors towards Corporate Governance can be categorised into:

- a. Loyalty: To act in the Interest of the Company
- b. Care: Duty to pay attention and take due care
- c. Disclosure: Disclose all material information
- d. Extra care: Careful scrutiny of decisions

CODE OF CONDUCT

Based on the above background the Board of Directors have formulated this Code of Conduct.

1. Every Director and Key Managerial Personnel to whom the Code is applicable, shall conduct the affairs of the Company and perform his duties with due care, diligence, dignity, honesty and integrity and shall conform to the highest moral and ethical standards and at all time, be loyal to the Company and act in good faith and in the best interest of the Company.
2. Act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interest of the Company, its employees, the shareholders, the community and for the protection of environment.
3. Exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
5. Not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making undue gain, he shall be liable to pay an amount equal to that gain to the Company.
6. Not assign his office and any assignment so made shall be void.
7. Ensure compliance of the applicable laws to the Company in general and the Companies Act, and SEBI Regulations as applicable to the listed companies in particular.

**INP CODE OF CONDUCT FOR
DIRETORS AND SENIOR MANAGERS 2022**

8. Not to indulge in the insider trading and forward dealings in the Company's securities and comply with the fair practice code framed under SEBI (Prohibition of Insider Trading) Regulations, 2015 .
9. protect the assets of the Company and shall not use for personal use, unless approved by the Board.
10. Maintain confidentiality of the information about the Company which are not in public domain and shall not disclose any such information to the press or any other publicity media unless specifically authorized.
11. Use such degree of skill as may be reasonable to expect from a person with his/ her knowledge or experience.
12. Not to influence any decision of the Board for any consideration other than in the interests of the Company.
13. Make reasonable efforts to attend Board meetings, meetings of the committees of the Board where the Director is a member and general meetings of shareholders, regularly. Where he is unable to attend inform the Company Secretary well in advance and seek leave of absence.
14. Dedicate sufficient time, attention and energy to the deliberations at the meetings to ensure diligent performance of their duties.
15. Not enter into related party transactions without adequate disclosure and proper authority of the Board of Directors. Such transactions should be in accordance with the policy of related party transactions adopted by the Board.
16. Bring an open and independent mind to the Board/ committee meetings and should not make a decision about a matter before attending and participating in the deliberations of the meeting.
17. Treat each other with courtesy and observe the other guidelines set out in the Code.
18. Act in a cooperative and respectable manner with their colleagues.
19. maintain order and decorum at the meetings and obey the directions given by the Chairman.

**INP CODE OF CONDUCT FOR
DIRETORS AND SENIOR MANAGERS 2022**

20. Not to accept gifts from third parties.
21. Not to indulge in practice of granting favours, monetary or otherwise. to Public Servants and like others for obtaining favours from them.
22. Perform key functions laid down in the LODR for good governance.
23. To promote the success of the company for the benefit of its members as a whole by considering
 - The potential long-term consequences for the company
 - The interests of stakeholders in general and minority shareholders in particular
 - Corporate reputation
 - impact on the environment and local community.
24. Comply with all applicable laws, regulations, confidentiality obligations and Company's policies.
25. Every year all the Directors and Senior Manager shall give a declaration of having complied with this Code of Conduct.

CODE OF CONDUCT FOR INDEPENDENT DIRECTORS

An independent director shall possess appropriate skills, experience, and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

Every Independent Director shall comply with Schedule IV: Guidelines of professional conduct of the Act and duties laid down in the LODR.

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 Code entirely with a new Code. 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 Code 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 Code and the part(s) so repugnant shall be deemed to severed from the Code and the rest of the Code shall remain in force.

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

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

**Policy on Appointment, Remuneration and
Evaluation of Directors and KMP**

1. OBJECTIVE

The objective of this policy is to comply with section 178 of the Companies Act, 2013 (the Act) and Regulation 19 read with Part D of the Schedule II of the Chapter V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. (LODR).

In compliance with the Act and the LODR the Company has constituted Nomination and Remuneration Committee. (NRC).

The NRC based on the role it has to discharge under the Act and the LODR has formulated policy for

1. the criteria for determining qualifications and positive attributes for the appointment of Directors including Independent Directors
2. the remuneration of the directors, key managerial personnel and other employees.
3. Evaluation of performance of directors
4. Board Diversity
5. Succession plan

2. DEFINITIONS

- a. **“Act”** means the Companies Act, 2013 as amended from time to time.
- b. **“Board”** means the Board of Directors of the Company.
- c. **“Company”** means Industrial & Prudential Investment Company Limited

- d. “Independent Director” (ID)** shall have the same meaning as defined under Section 149(6) of the Act read with rules made thereunder and Regulation 16(1)(b) of the LODR.
- e. “Key Managerial Personnel”** shall mean
1. the Chief Executive Officer or the managing director or the manager;
 2. the company secretary;
 3. the whole-time director;
 4. the Chief Financial Officer;
 5. such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 6. such other officer as may be prescribed.
- f. "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.
- g. "Policy"** means this policy, as amended from time to time.
- h. "SEBI"** means the Securities and Exchange Board of India.
- i. "Rules"** means the rules made under the Companies Act, 2013.
- j. "Stock Exchange(s)"** means BSE Limited where the equity shares of the Company are listed

3. POLICY

The NRC has framed this policy and approved by the Board of Directors at its meeting held on 12th August,2022.

4. APPOINTMENT OF DIRECTORS

NRC will evaluate the following attributes and qualities before recommending to the Board

- a. Willingness to join the organisation
- b. Educational qualification
- c. Level of experience as director (Executive, Non- Executive and Independent), CEO and senior manager just one step below director.
- d. Skill for general management, business operations and leadership.
- e. Knowledge of finance and accountancy, risks management, legal, marketing, corporate governance and human resources.
- f. Directorships in other companies in general and listed companies in particular.
- g. Experience of foreign business and foreign collaborators.
- h. Experience in dealing with bureaucrats, regulators and other government agencies.
- i. Strength of Networking and public relationship attributes.
- j. Technical knowledge of business.
- k. Ability to give creative suggestion and long-term thinking.
- l. Not having disqualification to be appointed as a director.
- m. Expectation of remuneration from the company in the form of sitting fees, profit related commission, fees for professional work, stock options, etc. This is to be compared with such remuneration receivable from other companies in which such person is director (Executive, Non-executive and Independent.
- n. Period and nature of Business/Professional/other relationship with the promoters and other members of the Board.
- o. For appointment as an independent director, to examine criteria mentioned in the Act and LODR.

5. REMUNERATION

Board of Directors are paid remuneration in the following manner.

- a. Sitting Fees for attending the meetings of the Board and Committees of the Board.
- b. Remuneration of Managerial Personnel
- c. Profit related Commission
- d. Fees for doing extra work not in the capacity as a director
- e. Fees for rendering professional services
- f. Reimbursement of out-of-pocket expenses incurred for attending the Board and Committee Meetings and for carrying out other duties as per direction of the Board.

Sitting Fees

This will be paid according to the provisions of the Act and the Articles of Association. The same is to be fixed by the Board of Directors keeping in view

- a. Frequency of the meeting.
- b. Duration of meetings.
- c. Efforts required by the Director to study agenda to enable him to make constructive suggestions.
- d. Important decisions being taken where input of the directors are essential.

Approval of shareholders is not required as per the Act and the LODR.

Remuneration of Managerial Personnel

This is important method of remunerating the directors.

- A. Managerial Personnel such as MD, WTD and KMPs – These personnel to be remunerated keeping in mind the following guidelines

**INP POLICY OF APPOINTMENT, REMUNRATION AND
EVALUATION OF DIRECTORS AND SENIOR MANAGERS 2022**

- a. To attract talent and retain the same.
- b. Competition in the market
- c. Performance
- d. a balance between fixed and variable pay reflecting short and long-term performance objectives and goals set by the Company.
- e. Corporate practises

Remuneration to Executive directors who are promoters should also be determined as if they are not promoters and the following criteria to apply. Their remuneration should be fixed in conjunction with Policy on related party transactions. However, some extra factors such as responsibilities, risk bearing and their stack holding to be given due weightage.

The fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if-

- (i) the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or
- (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity:

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

Remuneration to be paid to the managerial personnel is to be approved by the shareholders which may be either ordinary or special depending upon the quantum of maximum and minimum remuneration.

Remuneration of Non- Executive and Independent Directors

This is generally linked to profit of the Company. Such remuneration is to be approved by the shareholders by way of special resolution.

The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

Stock option to NED (IND is excluded) to be approved by the Shareholders.

6. EVALUATION PROCESS

This is an important role of the NRC.

The NRC will evaluate as per the guidance note on Board Evaluation issued by SEBI vide Circular SEBI / HO CFD/CMD/CIR/2017/004 dated January 5, 2017.

Norms of evaluation of the Board, its Committee, each director individually, non-executive director and independent director are summarised below.

- a. Attendance
- b. Participate in discussion.
- c. Expression of opinion which is independent and objective in the interest of the stakeholders.
- d. Understanding of the items on agenda
- e. Constructive suggestion for the growth of the Company
- f. Exhibiting knowledge of the Company's business
- g. Suggestion on risk management.

- h. Giving direction to the Board for strategic business policy
- i. Willingness to devote time
- j. Concern about compliance and good corporate governance.
- k. CSR Policy
- l. Communication skill and persuasive attitude.
- m. Follow up of the matters/concerned raised during the meeting.
- n. Frankness in exhibiting view different from other directors
- o. Upholding integrity, ethics and trustworthy.
- p. Compliance with the code of conduct.

7. DIVERSITY AND SUCCESSION PLAN

The Company follows the principle of Diversity and dynamism in order to sustainable development.

Attributes of Diversity are

- age, gender,
- ethnicity,
- physical abilities,
- marital status,
- ideologies,
- background,
- knowledge and skills

The Board will always strive to have composition of members of the Board having

- Experience of diverse nature.
- Gender in having the right representation of female members to also ensure statutory compliance as applicable
- Varied Qualifications, knowledge and core skills/ expertise / competencies.

Succession Plan

In order to achieve the continuity, sustainable development and diversity of the composition of the Board, NRC will recommend maintenance of ratio between the promoter directors and independent directors at all time.

8. 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.

9. 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.

10. PRESENT SITUATION

Currently, the Managing Director and Chief Financial Officer are also KMP of Paharpur Cooling Towers Limited, holding company. They are not drawing any remuneration. Other directors are paid profit related commission as per approval granted by members of the Company.

**POLICY ON SEXUAL HARASSMENT OF EMPLOYEES AT
INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED**

BACKGROUND

Industrial and Prudential Investment Company Limited is a listed company (the Company). In accordance with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is required to make disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the Annual Report in the Corporate Governance Report, as per Regulation 31 of LODR.

Accordingly, as per LODR and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter “the Act”) and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 (hereinafter “the Rules”), the Company has framed this Policy.

The Company’s Policy on Prevention of Sexual Harassment at the Workplace (hereinafter “the Policy”) aims at prohibiting and preventing the commission of acts constituting sexual harassment at the workplace and sets out the procedure for speedy redressal of complaints relating to sexual harassment.

This Policy has been approved by the Board of Directors at its meeting held on 12th August 2022 and the same is available on the website of the Company.

POLICY

1. The Company is an equal opportunity employer and is committed to creating a healthy, safe and secure working environment free of gender bias or prejudice of any kind. It aims to create a harassment free workplace without regard to race, caste, religion, colour, ancestry, marital status, socio-economic status, gender, sexual orientation, age, nationality, ethnic origin or disability.
2. The Company specifically recognises that sexual harassment at the workplace results in violation of the fundamental right to equality under Articles 14 and 15 of the Constitution of India, the right to life and to live with dignity under Article 21 of the Constitution of India, and the right to practice any profession or to carry on any occupation, trade or business under Article 19(1)(g) of the Constitution of India which includes the right to a safe environment, free from sexual harassment. As such, Vidhi does not tolerate any form of sexual harassment and is committed towards taking all necessary steps to ensure that no person employed at or engaged by Vidhi in their course of employment or engagement is subjected to any form of sexual harassment.
3. This Policy applies to sexual harassment at the workplace. While the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter “the Act”) and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 (hereinafter “the Rules”) prescribed under the Act apply only to cases where the aggrieved person is a woman, it is made clear that this Policy is not confined to those instances alone; it applies to any case of sexual harassment at Vidhi. However, it is clarified that where the aggrieved person is a woman, this Policy will be applicable, subject to the provisions of the Act and

the Rules. Furthermore, remedy available under this Policy will be in addition to any other remedy, which an aggrieved person may pursue under any other law in force.

4. This Policy applies to the Company as a 'workplace' as defined under the Act. To clarify, 'workplace' means all office premises of the Company as well as any other premises visited or used by any person arising out of or during the course of her employment or engagement with the Company, including any transportation provided by the Company for undertaking such journey. The Company is also fully committed to supporting any person employed at or engaged by Vidhi who faces sexual harassment in the course of her employment or engagement where the person wishes to seek relief from any internal complaints committee of another workplace or a local complaints committee as the case may be.

SCOPE AND EFFECTIVE DATE

- a. This Policy extends to all employees of the Company and is deemed to be incorporated in the service conditions of all employees and comes into effect immediately.
- b. Sexual harassment would mean and include any of the following:
 - i) unwelcome sexual advances, requests or demand for sexual favours, either explicitly or implicitly, in return for employment, promotion, examination or evaluation of a person towards any company activity;
 - ii) unwelcome sexual advances involving verbal, non-verbal, or physical conduct such as sexually coloured remarks, jokes, letters, phone calls, e-mail, gestures, showing of pornography, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs, verbal or non-verbal communication which offends the individuals sensibilities and affect her/his performance;

- iii) eve teasing, innuendos and taunts, physical confinement against one's will and likely to intrude upon one's privacy;
- iv) act or conduct by a person in authority which creates the environment at workplace hostile or intimidating to a person belonging to the other sex;
- v) conduct of such an act at workplace or outside in relation to an Employee of the Company, or vice versa during the course of employment; and
- vi) any unwelcome gesture by an employee having sexual overtones

It applies to all the employees who are on the rolls of the Company including those on deputation, contract, temporary, part time or working as consultants.

COMPLAINT REDRESSAL COMMITTEE

- A Committee has been constituted by the Management to consider and redress complaints of Sexual Harassment. The Chairman and Members of the Committee are as follows:
 - a. Ms. Devina Swarup, Director
 - b. Mr. Arun K Singhania, CFO
 - c. Mr. Ayan Dutta, Company Secretary
- A quorum of 2 members is required to be present for the proceedings to take place. The quorum shall include the Chairman and another member to be a lady.
- Ms. Devina Swarup shall be the Chairman of the Committee.

REDRESSAL PROCESS

- A. Any employee who feels and is being sexually harassed directly or indirectly may submit a complaint of the alleged incident to any member of the Committee in writing with his/her signature within 10 days of occurrence of incident.
- B. The Committee will maintain a register to endorse the complaint received by it and keep the contents confidential, if it is so desired, except to use the same for discreet investigation.
- C. The Committee will hold a meeting with the Complainant within five days of the receipt of the complaint, but no later than a week in any case.
- D. At the first meeting, the Committee members shall hear the Complainant and record her/his allegations. The Complainant can also submit any corroborative material with a documentary proof, oral or written material, etc., to substantiate his / her complaint. If the Complainant does not wish to depose personally due to embarrassment of narration of event, a lady officer for lady employees involved and a male officer for male employees, involved shall meet and record the statement.
- E. Thereafter, the person against whom complaint is made may be called for a deposition before the Committee and an opportunity will be given to him/her to give an explanation, where after, an “Enquiry” shall be conducted and concluded.
- F. In the event, the complaint does not fall under the purview of Sexual Harassment, or the complaint does not mean an offence of Sexual Harassment, the same would be dropped after recording the reasons thereof.
- G. In case the complaint is found to be false, the Complainant shall, if deemed fit, be liable for appropriate disciplinary action by the Management.

ENQUIRY PROCESS

- a. The Committee shall immediately proceed with the Enquiry and communicate the same to the Complainant and person against whom complaint is made.
- b. The Committee shall prepare and hand over the Statement of Allegation to the person against whom complaint is made and give him / her an opportunity to submit a written explanation if she / he so desires within 7 days of receipt of the same.
- c. The Complainant shall be provided with a copy of the written explanation submitted by the person against whom complaint is made.
- d. If the Complainant or the person against whom complaint is made desires any witness/es to be called, they shall communicate in writing to the Committee the names of witness/es whom they propose to call.
- e. If the Complainant desires to tender any documents by way of evidence before the Committee, she / he shall supply original copies of such documents. Similarly, if the person against whom complaint is made desires to tender any documents in evidence before the Committee he/she shall supply original copies of such documents. Both shall affix his/her signature on the respective documents to certify these to be original copies.
- f. The Committee shall call upon all witnesses mentioned by both the parties.
- g. The Committee shall provide every reasonable opportunity to the Complainant and to the person against whom complaint is made, for putting forward and defending their respective case.
- h. The Committee shall complete the “Enquiry” within reasonable period but not beyond three months and communicate its findings and its recommendations for action to the Compliance officer. The report of the committee shall be treated as an enquiry report on the basis of which an erring employee can be awarded appropriate punishment straightaway.

- i. The Compliance officer will direct appropriate action in accordance with the recommendation proposed by the Committee.
- j. The Committee shall be governed by such rules as may be framed by the Supreme Court orders or any other legislation enacted later on.

OTHER PROVISIONS

- The Committee may recommend to take action which may include transfer or any of the other appropriate disciplinary action.
- The management shall provide all necessary assistance for the purpose of ensuring full, effective and speedy implementation of this policy.
- Where sexual harassment occurs as a result of an act or omission by any third party or outsider, the Company shall take all steps necessary and reasonable to assist the affected person in terms of support and preventive action.
- The Committee shall analyse and put up report on all complaints of this nature at the end of the year for submission to Board to be included in the Board's Report as well make disclosure in terms of LODR.
- In case the Committee finds the degree of offence coverable under the Indian Penal Code, then this fact shall be mentioned in its report and appropriate action shall be initiated by the Management, for making a Police Complaint.

POLICY REVIEW

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 applicable 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.

PRESENT SITUATION

Currently commensurate with the size and operations, the Company has one male employee. This policy will be effectively applied, if in future, the Company expands its work force where women are also employed

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

POLICY FOR RISK MANAGEMENT AND MONITORING

1. INTRODUCTION

Black's Law Dictionary, 10th Edition, defines risk as "The uncertainty of a result, happening or loss.

Oxford Dictionary defines the term "**risk**" as a chance or possibility of danger, loss, injury or other adverse consequences.

No business activity is without risk and uncertainty and there is propensity to incur loss. In an Investment company which deals with investments and securities there is inherent risk of pecuniary loss of revenue or erosion of capital loss. which may result into either loss or gain.

Risk mitigation or Risk management is one of the primary concerns for a NBFC. The various regulatory frameworks applicable to NBFCs impose different provisions for risk management.

2. LEGAL FRAMEWORK

Enterprise risk management was not mandatory according to the Companies Act 1956. However, as per the Companies Act 2013 new law, there are specific requirements that a company needs to comply with. In addition, the board and audit committee have been vested with specific responsibilities in assessing the robustness of risk management policy, process and systems.

The Provisions of Section 134(3) of the Companies Act, 2013 states that the Board's Report should contain a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements risk, if any, which in the opinion of the Board may threaten the existence of the Company.

The provisions of Section 177(4) of the Companies Act, 2013 requires that every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall inter alia include evolution of risk management.

Furthermore, regulation 17(9) of SEBI(LODR) Regulations, 2015 also provides that the listed entity shall lay down procedures to inform members of the Board of Directors about Risk Management and Minimization procedures of risk. The Board of Directors shall be responsible for framing, implementing and monitoring the Risk Management Plan for the listed entity.

Apart from legal requirement for risk management policy, Risk Management is also a key aspect of Corporate Governance Principles and Code of Conduct which aim to improve the governance's practices across the business activities of the Company.

The policy is framed to the extent applicable RBI regulations.

The Company has formed Audit Committee in compliance with the Act, LODR and RBI regulations to the extent applicable to NBFC.

Accordingly the Board of Directors has framed "Policy For Risk Management And Monitoring" and adopted the same at its meeting held on 12th August, 2022.

3. OBJECTIVE

The main objective of this policy is to ensure sustainable business growth with stability and promote a proactive approach in reporting, evaluating and resolving risks associated with the Company's business along with keeping the Board of Directors and Board Committees apprised of the applicable risks promptly and regularly.

The policy focus is to address unanticipated and unintended losses to financial assets of the Company without unnecessarily limiting the activities that advance its mission and goals.

In order to achieve the key objectives, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues enabling the Company to make consistently profitable and prudent business

4. 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 and Audit Committee.
- 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. **"Rules"** means the rules made under the Companies Act, 2013
- h. 'RBI' means Reserve Bank of India
- i. **"SEBI"** means the Securities and Exchange Board of India.
- j. **"Stock Exchange(s)"** means BSE Limited where the equity shares of the Company are listed.

5. POLICY

The Policy is based on the following basic principles

- a. To achieve good corporate governance practice
- b. To ensure compliance with the relevant laws and regulations.
- c. To conduct its business efficiently, professionally and in the manner, which is fair and transparent.
- d. To strive to meet its obligations to all stakeholders in a balanced and accountable manner.
- e. To take policy decision on deployment of funds of the Company in securities market based on investment climate and economic conditions in the country and movement in the stock markets.
- f. To follow cautious approach and never to indulge in speculative transactions.
- g. To review periodically the investment portfolio.

The objective is to generate long term capital appreciation by investing in under-researched and/or under-valued growth stocks which are in a secular uptrend based on Relative Strength Comparative Indicator. The strategy is also to invest in unique businesses, which are likely to enter a phase of accelerated growth / at an inflection point in their economic life cycle. The strategy can also invest in listed Exchange Traded funds (including equity and non-equity asset classes) that may be in a secular uptrend, based on Relative Strength Comparative Indicator versus the S&P CNX Nifty.

Risk Management Process involves the following steps

- a. Identify risk
- b. Assess the risk
- c. Control the risk
- d. Review the effect of the risk undertaken on the business operations
- e. To take corrective measures to mitigate the loss.

Risks to be undertaken are

- A. Uncontrollable risk (macrolevel) such as
 1. Economic environment
 2. Political situation
 3. Government policies
 4. Liquidity in the market
 5. Volatile movement in the stock exchange on account of war, natural calamities, international economic crisis.
 6. RBI's Monetary Policies
- B. Controllable risk (micro level) such as
 1. Performance of the companies
 2. Transaction risk
 3. Compliance risk
 4. Regulators' policy making risk

In view of the above, risk management is a business facilitator by making more informed decision with balanced risk-reward paradigm. The Company shall follow a disciplined risk management process in taking business decisions to ensure growth and balancing approach on risk reward matrix.

6. KEY MANAGERIAL PERSONNEL (KMP)

The following are the KMPs of the Company

- Managing Director
- Chief Financial Officer
- Company Secretary

These personnel will take decision of investments as per directive of Share Transfer and Investment Committee.

7. 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.

8. 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.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

FAIR PRACTICE CODE

UNDER RESERVE BANK OF INDIA REGULATIONS FOR NBFC

Background

The Company is in the business of dealing in investments in securities. Occasionally it gives loans to corporates in the form of money instruments such as bills discounting, intercorporate loans, etc.

RBI regulations

The Fair Practices Code (FPC) has been formulated and adopted by Industrial and Prudential Investment Company Limited (the Company) as an affirmation of its values and commitment towards transparency and fairness in its dealings with its customers. The FPC incorporates all applicable guidelines and instructions issued by the Reserve Bank of India (RBI) from time to time as described below.

- a. RBI/ 2006-07/ 138 DNBC (PD) CC No. 80/ 03.10.042 / 2005-06 dated September 28, 2006.
- b. RBI/2010-11/25DNBS(PD) CC No185/03.10.042/2010-11 dated July 1,2010
- c. RBI/2011-12/470 dated March 26,2012
- d. RBI/2012-13/416 dated February 18, 2013
- e. RBI Master Circular: RBI/2015-16/16 dated July 1, 2015.
- f. RBI Master Direction DNBR.PD.008/03.10.119/2016-17 September 01, 2016

This code is applicable in respect of all services/ products/ loans and facilities etc. sourced or serviced by the Company directly.

Pursuant to above Circulars, the Company has framed the FPC and the same has been approved by the Board at its meeting held on 12th August 2022.

Objective:

- Promote good and fair practices by setting standards in dealing with the customer.
- Lay down a comprehensive guidelines on code of conduct in order to achieve organization's limited objectives of giving loan to corporates.
- Ensuring effective dissemination of code of conduct throughout the organization and stake holders.
- Benefiting the clients by inculcating/ingraining the values of code of conduct into the fabric of the organization.

Integrity And Ethical Behaviour

- I.** Strong systems and promote good governance practices within the organization.
- II.** adhere to the Fair Practice Code, Client Protection Principle, and Code of Conduct.
- III.** All the compliances shall be regularly audited and presented in the 'Board' meeting.
- IV.** Design appropriate policies and operating guidelines.

Declarations and Commitments

- a. The Company shall provide assistance to the borrower to understand and interpret the financial schemes and products being offered and their appropriateness for individual or class of customers by making available information and appropriate disclosures in writing and orally in the languages understood by the customer. All such disclosures will also be made and periodically updated on the Company's website.
- b. Accurate and timely information with respect to terms and conditions, costs, rights and liabilities shall be provided.
- c. The Company shall promptly redress any customer complaint within timelines committed under its grievance redressal mechanism.

INP FAIR PRACTICE CODE RBI 2022

- d. The Company will not discriminate between customers on the basis of gender, race, caste, creed or religion.
- e. The Company shall maintain confidentiality except under the following circumstances.
 - To provide the information if required under statute or regulation,
 - Mandated duty to reveal the information to the public,
 - If the Company is required to provide this information (e.g. fraud prevention) to Banks / Financial Institutions / Our Group and Associate Companies providing Business Support services,
 - The Company will not use this reason for giving information about customers to anyone else for marketing purposes.

Transparency

- I.** disclose complete information to the clients, regarding the loan products and interest and repayment schedule.
- II.** Disclose Rate of interest. risks covered and any other charges or fees howsoever described.
- III.** Declare all interest and fees payable as an all-inclusive Annual Percentage Rate (APR) and equivalent monthly rate.
- IV.** The Company shall avoid overfinancing.
- V.** All loan applications would be properly analysed and put up to the Share Transfer and Investment committee for approval.

Conclusion

The Company shall comply with RBI regulations.

It reserves the right to amend this code based on the guidelines of the RBI.

INDUSTRIAL AND PRUDENTIAL INVESTMENT COMPANY LIMITED

CIN: L65990WB1913PLC218486

INVESTMENT POLICY

UNDER RESERVE BANK OF INDIA REGULATIONS FOR NBFC

Background

The Company is in the business of dealing in investments in securities which occasionally gives loans to corporates in the form of money instruments such as bills discounting, intercorporate loans, etc. The Company is classified as a Base Layer, Non-Systemically Important, Non-Deposit taking, Non-Banking Financial, Investment and Credit Company by the Reserve Bank of India.

RBI regulations

This Investment Policy (“the Policy”) has been formulated and adopted by Industrial and Prudential Investment Company Limited (the Company) as an affirmation of its transparency and fairness in its business. The Policy has been formulated pursuant to RBI Master Direction DNBR.PD.008/03.10.119/2016-17 September 01, 2016 as updated from time to time (Last update on May 02, 2022) and approved by the Board of the Company at its meeting held on 12th August, 2022.

Objective:

The Company holds promoters stake of 21% in KSB which is approx. 60% of the company’s Investment. The balance 40% of the Corpus is invested in select 30+ Blue Chip Companies which are leaders in their respective sectors for long term value creation and Liquid and other Mutual Funds (around 7%) for taking advantage of the opportunities.

The Board hereby prescribes the broad guidelines for taking investment decisions by the Company and to bring operational efficiency in the system.

Criteria to Classify the Investments into Current and Long Term Investments

The Investments, that the Company will hold, will be treated as the assets of the Company held with the motive of earning income by way of dividend, interest, and / or for capital appreciation and / or for other benefits.

INP INVESTMENT POLICY

Investments in securities shall be classified into current and long term, at the time of making each investment. The investments of the Company shall be classified broadly into the following categories:

Investments in subsidiary and group companies	Long Term Investments
Investments in quoted shares (unless otherwise specified)	Long Term Investments
Investments in units of Mutual funds – Equity and Debt (unless otherwise specified)	Long Term Investments
Investments in units of Mutual funds – Liquid Funds (unless otherwise specified)	Current Investments
Investments made through (unless otherwise specified):- (1) Kotak Securities Limited (2) Any other SEBI recognised share broker	Current and long term Investments

Transfer of Investments

In case of inter-class transfer between current and long term investment–

- (a) There shall be no such transfer on ad-hoc basis;
- (b) Such transfer, if warranted, shall be effected only at the beginning of each half year, on April 1 or October 1, with the approval of the Board;
- (c) The investments shall be transferred scrip-wise, from current to long-term or vice-versa, at book value or market value, whichever is lower;
- (d) The depreciation, if any, in each scrip shall be fully provided for and appreciation, if any, shall be ignored;
- (e) The depreciation in one scrip shall not be set off against appreciation in another scrip, at the time of such inter-class transfer, even in respect of the scrips of the same category.

Valuation of Quoted Current Investments

The quoted current investments shall, for the purposes of valuation, be grouped into the following categories, viz.

- a) equity shares
- b) preference shares
- c) debentures and bonds
- d) Government securities including treasury bills
- e) units of mutual fund, and
- f) others

The Quoted current investments for each category shall be valued at cost or market value whichever is lower. For this purpose,

- a) The investments in each category shall be considered scrip-wise and the cost and market value aggregated for all investments in each category.
- b) If the aggregate market value for the category is less than the aggregate cost for that category, the net depreciation shall be provided for or charged to the profit and loss account.
- c) If the aggregate market value for the category exceeds the aggregate cost for the category, the net appreciation shall be ignored.
- d) Depreciation in one category of investments shall not be set off against appreciation in another category.

Valuation of Unquoted Current Investments

- a) Unquoted equity shares in the nature of current investments shall be valued at cost or breakup value, whichever is lower. However, the Company may substitute fair value for the breakup value of the shares, if considered necessary. Where the balance sheet of the investee company is not available for two years, such shares shall be valued at one Rupee only.
- b) Unquoted preference shares in the nature of current investments shall be valued at cost or face value, whichever is lower.
- c) Investments in unquoted Government securities or Government guaranteed bonds shall be valued at carrying cost.
- d) Unquoted investments in the units of mutual funds in the nature of current investments shall be valued at the net asset value declared by the mutual fund in respect of each particular scheme.
- e) Commercial papers shall be valued at carrying cost.
- f) Unquoted debentures shall be treated as term loans or other type of credit facilities depending upon the tenure of such debentures for the purpose of income recognition and asset classification.
- g) A long term investment shall be valued in accordance with the Accounting Standard issued by ICAI.

Share Transfer and Investment Committee

The Company has a Share Transfer Investment Committee for following activities:

- a. Fixing criteria for classifying the investments into current and long term investments,

- b. Investment of funds as per the policy guidelines,
- c. Day to day monitoring of Investment portfolio,
- d. Disposal of securities and realization of proceeds and revenue dues,
- e. Accounting of the Securities transactions and reconciliation thereof,
- f. Review of portfolio as and when required.
- g. Approval of Share transfer, issue of duplicate share certificates

Composition of the Committee

The investment Committee consists of following directors as a member:

Ms. Devina Swarup, Non Executive Non Independent Director

Mr. Debanjan Mandal, Non Executive Independent Director

Amendments

The Board may amend the provisions of this Policy from time to time.

Unless otherwise specified, such amendments shall be effective from the date of the Board meeting at which such amendments are approved.

INDUSTRIAL & PRUDENTIAL INVESTMENT CO. LTD.

Corporate Social Responsibility (CSR) Policy

INTRODUCTION

The Board of Directors (the "Board") of Industrial & Prudential Investment Co. Ltd. (the "Company") at its meeting held on 12th August, 2022, has adopted the following policies and procedures with regard to Corporate Social Responsibility. The Board may review and amend this policy from time to time subject to the recommendations of Corporate Social Responsibility Committee.

APPLICABILITY

Every company having

- i. net worth of rupees five hundred crores or more, or
- ii. turnover of rupees one thousand crores or more or
- iii. a net profit of rupees five crores or more during any financial year

needs to spend at least 2% of its average net profit for the immediately preceding 3 financial years on corporate social responsibility activities and shall constitute a Corporate Social Responsibility (CSR) Committee of the Board which shall formulate and recommend CSR Policy to the Board of Directors of the Company ('Board'). The Rules also allow the Board to undertake its CSR activities through a registered trust established by the Company.

CORPORATE SOCIAL RESPONSIBILITY PHILOSOPHY

It is pertinent that business enterprises are economic organs of society and draw on societal resources, we at the company believe that a company's performance must be measured by its Triple Bottom Line contribution to building economic, social and environmental capital towards enhancing societal sustainability. The Company aims to carry out charitable objects and purposes wide enough for the extension of benefit thereof to all, irrespective of class, creed and relief of poor, education, medical relief and advancement of any object of general and/or public utility. Such Corporate Social Responsibility (CSR) projects are far more replicable, scalable and sustainable, with a significant multiplier impact on sustainable livelihood creation and working for a cause of humanity.

POLICY OBJECTIVE

The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation schedules and monitoring of the CSR activities to be undertaken by the Company.

DEFINITIONS

"Board of Director" or **"Board"** means the Board of Directors of the Company, as constituted from time to time.

"Company" means a company incorporated under the Companies Act, 2013 or under any previous company law.

"CSR Programmes" means Programmes, projects and activities carried out in this regard are the subject matter of this Policy.

"Corporate Social Responsibility Committee or Committee" means CSR Committee constituted by the Board of Directors of the Company, from time to time.

"CSR Policy" means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 or any other applicable regulation.

LIST OF ACTIVITIES/PROJECTS

The Company shall undertake CSR Projects among the following Activities/Projects falling within the preview of the Schedule VII of the Companies Act, 2013 or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR"):

(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.

(vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.

(vii) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.

(viii) contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.

(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) rural development projects.

(xi) slum area development.

Explanation - For the purposes of this item, the term "slum area" shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

(xiii) Other activities as prescribed under Schedule VII of the Companies Act, 2013 or as may be prescribed by the Ministry with regard to section 135 of the Companies Act, 2013 from time to time.

Explanation – (a) Keeping in view of the spread of novel Corona Virus (COVID-19) in India, its declaration as pandemic by the World Health Organization (WHO), and, decision of Government of India to treat this as a notified disaster, it is hereby clarified that spending of CSR funds for COVID-19 is eligible CSR activity.

(b) Funds may be spent for various activities related to COVID-19 under item nos. (i) and (xii) of Schedule VII relating to promotion of health care, including preventive health care and sanitation, and, disaster management. Further, as per General Circular No. 21/2014 dated 18.06.2014, items in Schedule VII are broad based and may be interpreted liberally for this purpose.

The above CSR Activities shall be undertaken only in India for the benefit of the Indian public and not only for the employees of the Company and their family. Provided further that the preference shall be given to the local areas and areas where the Company operates for undertaking the CSR Activities. However, the committee may identify such other areas other than those stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

CSR COMMITTEE

Pursuant to the provision of Section 135 (1) of Companies Act, 2013 where a company is not required to appoint an independent director under sub-section (4) of section 149, it shall have in its Corporate Social Responsibility Committee two or more directors. The committee shall meet at least once a year to discuss and review the CSR activities and policy.

The role and responsibility of the Committee will be as under:

1. Formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;
2. Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -
 - (a.) the manner of execution of such projects or programmes
 - (b.) the modalities of utilisation of funds and implementation schedules for the projects or programmes
 - (c.) details of need and impact assessment, if any, for the projects undertaken by the company

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

3. Recommend to the Board the amount of expenditure to be incurred on the various CSR activities in a financial year;
4. Monitor the CSR Policy of the Company from time to time;

5. Institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company;
6. Recommend to the Board, modifications to the CSR policy as and when required.
7. To decide on any other matter as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

FORMULATING THE ANNUAL ACTION PLAN

The CSR Committee shall, at the beginning of each financial year, submit an annual action plan to the Board detailing the list of CSR activities planned for that financial year, along with the proposed implementation schedules, monitoring mechanism and if impact assessment is required to be undertaken in case of applicable projects. The CSR Committee will monitor the implementation of the CSR projects, recommend changes to the action plan during the year if so required, and recommend such amended plan to the Board, along with sufficient justification for such changes.

The CSR committee will submit an Action Plan to the Board. The plan encompasses the following components;

Section 1 – Summary

- a. CSR budget allocated
- b. CSR budget pending for allocation
- c. CSR budget utilized by implementation agencies

Section 2 - Detailed plan (covering allocation and utilization)

- a. List of approved projects
- b. Implementation mode and timelines
- c. Budget, Programmatic and Financial utilization status

CSR BUDGET & EXPENDITURE

The CSR Committee will prepare yearly budget of the amount to be spend on the CSR activities as per the provisions of the Company Act, 2013 i.e. at least two per cent of the average net profit calculated as per Section 198 of the Act read with the Companies (Corporate Social Responsibility) Rules thereof, made during the three immediately preceding Financial Years and recommend the same to the Board of Directors.

The Company shall strive to spend in every financial year at least 2% (two percent) of the average net profits of the Company made during the three immediately preceding financial years.

The Board, on receipt of the Budget, will implement the same subject to availability of the profits as per the Act.

In the event that the amount indicated above is not spent in its entirety in that Financial Year, the reasons thereof will be outlined as per Section 134(3) (o) of the Act and also adopt any one option from the below mentioned as provided in the Act:

1. IN CASE THE PROJECT IS NOT AN 'ON – GOING' PROJECT

a. Transfer such unspent amount to the below mentioned Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

- Prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- Clean Ganga Fund

2. IN CASE THE PROJECT IS OR IS TO BE CONSIDERED AS 'ONGOING PROJECT'

a. Pass a Board Resolution to approve the project as 'on-going' if it has not been already identified as an ongoing project;

b. Open an 'Unspent CSR Bank Account' and transfer the amount which is unspent/unutilized on the approved CSR project within a period of 30 days from the end of the Financial Year;

c. Ensure completion of the project within 3 years from the date of such transfer to the 'unspent CSR bank account' of the Company.

If in any case Company fails to spent amount transferred to unspent CSR Bank Account on ongoing project within three years', Company shall transfer the unspent amount to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

TREATMENT OF SURPLUS

The surplus, if any, arising out of the CSR Projects or programmes or activities shall not form a part of the business profit of the Company and shall be ploughed back into the same project or programmes or activities or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Any amount spent in excess of requirement provided under the Companies Act, 2013 such excess amount may be set off against the requirement to spend up to immediate succeeding three financial years' subject to the conditions that –

- (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities.
- (ii) the Board of the Company shall pass a resolution to that effect.

IMPLEMENTATION

The process for implementation of CSR programmes will involve the identification of programmes at the Corporate level by means of the following:

- A. Receipt of proposals/requests from Units/District Administration/local Government/NGO/Trust/Society/Institution etc. and assessment of the same.
- B. Discussions with local representatives / civic bodies / citizens' forums / NGOs / Trusts / Society / Institutions etc.
- C. CSR programmes as may be identified at the Corporate level or Unit level will be required to put up to the CSR Committee of the Board.

The Company shall carry out CSR activities itself or through:

- a. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- b. a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c. any entity established under an Act of Parliament or a State legislature; or
- d. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961,

and having an established track record of at least three years in undertaking similar activities.

MONITORING

The CSR Committee in order to review progress of the implementation of the CSR Policy may meet at regular intervals.

1. Designate a company official to co-ordinate with the Organisations receiving funds to inspect the activities undertaken and report to the CSR Committee on quarterly basis.
2. Receive and review the above referred Implementation report from the designated employee.
3. Submit the monitoring report to the Board.
4. The CSR Committee will review periodically and keep the Board apprised of the status of the progress of implementation of the approved CSR Programmes.

REPORTING

The Annual Report of the Board of Directors of Company shall include an annual report on CSR containing particulars in the prescribed format on the composition of CSR committee, CSR policy, the amount spent and carried forward with the reasons for spending below budgeted levels.

GENERAL

The CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by the Government, from time to time. The Company reserves the right to modify, add, or amend any of provisions of this policy.