



POLICY ON VIGIL MECHANISM

INDIAN MACHINE TOOL MANUFACTURERS'
ASSOCIATION (IMTMA)

1. PREFACE AND OBJECTIVES

Indian Machine Tool Manufacturers' Association (IMTMA) believes in policy of ethical and lawful conduct and as part of this policy the Company has prescribed a Code of Conduct to its Employees which stipulates certain standards and principles in conducting themselves in the ordinary course of activities.

Pursuant to Sec. 177 (9) and (10) of the Companies Act, 2013, it is obligatory for IMTMA to formulate a Vigil Mechanism Policy for the directors and employees to report genuine concerns in such manner as may be prescribed. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

The Vigil Mechanism Policy of IMTMA is formulated for reporting / deterring / punishing / rectifying any unethical, unlawful acts, behavior etc. and to enable to voice/ address bonafide concern of malpractice, deviation from the policies of the Company internally in an effective and systematic manner. The mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

2. PROCEDURE

Any Executive Committee Member (Director) or employee having grievance / concerns against employees will refer the same to the Director General of the Company who will appoint an investigating officer to carry out an investigation on the matter reported. Any Executive Committee member (Director) having grievance/concern against another Executive Committee Member (Director) shall report the concern directly to the chairman of the audit committee who shall deal with such grievances / concerns appropriately.

The investigating officer will complete the investigation within a period of 45 days. However, if he is of the opinion that more time is required to complete the investigation, he shall for reasons to be recorded in writing extend the period of investigation. However, the investigation has to be completed within 90 days of the reference. The Director General shall inform the complainant of the outcome of such investigation, within 15 days of completion of the investigation.

If the Director General is of the opinion that the investigation discloses the existence of improper activity which warrants disciplinary action against the subject employee (a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation) he shall report the matter,

including the disciplinary action taken against such subject employee, to the Audit Committee.

The Director General shall communicate the decision within fifteen days to the complainant and the subject.

The contact details of the Director General is as under:

E-mail: vigil_dg@imtma.in

3. REVIEW

In cases where the complainant is of the view that the complaint has not been treated fairly, he can prefer a review application to the Chairman of the Audit committee.

Direct access to the Chairman of the Audit committee will be granted once Chairman is of the opinion that there exists some exceptional and appropriate circumstances and that the complainant be heard personally.

The Chairman of the audit committee will appropriately deal with such review petition.

Any member of the Audit Committee having conflict of interest in a given case, he shall disclose his concern/interest and shall recuses himself to deal with the matter and others in the Committee would deal with the matter on hand.

The contact details of the Chairman of the Audit Committee is as under:

E-mail: vigil_auditchm@imtma.in

4. PROTECTION

4.1 Protection to the complainant will be provided if the following conditions are met:

- a. The Protected Disclosure is made in Good Faith;
- b. The Complainant has reasonable information or documents in support thereof;
and
- c. the Protected Disclosure is not made for any personal gain or animosity against the subject.

4.2 The Company will endeavor to ensure that the Policy is adhered to, and in this regard, the Company will ensure that:

- a. No unfair treatment is given to the complainant;
- b. Appropriate care is taken to keep the identity of the complainant confidential and any such disclosure be made only on a need to know basis;

The Director General will ensure that the Policy is strictly adhered to.

If it is found that an Employee has made malicious or frivolous allegations against any person, then the Company reserves the right to take any disciplinary action against such person, including permanent suspension from employment.

5. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto will be retained by the Company for a minimum period of three years.

6. SECRECY OR CONFIDENTIALITY

The complainant, the Subject, the Investigators and everyone involved in the process shall maintain secrecy and remain confidential about the protected disclosure and if such information is made public, the same shall be reckoned seriously.

7. DISCLOSURE

The details of establishment of the Vigil Mechanism will be disclosed on the website of the Company and in the Directors' Report as required under the Companies Act, 2013.

8. AMENDMENT

The Executive Committee (Board of Directors) of the Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.