

## WHISTLE BLOWER POLICY

### 1. PREAMBLE

- 1.1 Ingersoll-Rand (India) Limited (the '**Company**') believes in managing its affairs with diligence, transparency, accountability and responsibility.

These would help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The Company has adopted the Code of Conduct for Directors and Senior Management ('**code of conduct**') which lays down the general principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the Directors and Employees in pointing out such violations of the Code cannot be undermined.

- 1.2 The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 1.3 Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, *inter alia*, requires all listed companies to establish a mechanism called "Whistle Blower Policy" for Directors and Employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.
- 1.4 Pursuant to Section 177 (9) of the Companies Act, 2013, it is obligatory for listed companies to establish a vigil mechanism for Directors and Employees to report genuine concerns in such manner as prescribed *vide* the rules framed thereunder.
- 1.5 Further, Section 177 (10) of the Companies Act, 2013 provides that the vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimization of director(s) or employee(s) who use such mechanism and make provisions for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.
- 1.6 Accordingly, this Whistle Blower Policy ('the / the **Policy**') has been formulated with a view to provide a mechanism for Directors and Employees of the Company to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc.,. This Policy would also help to create an environment where individuals feel free and secure to raise the alarm where they see a problem. It will also ensure that Whistle Blowers are protected from retribution, whether within or outside the organization.
- 1.7 The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing. It protects Directors and Employees wishing to raise a concern about serious irregularities within the Company.
- 1.8 The Policy neither releases Directors and Employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal or official situation.

### 2. POLICY

- 2.1 This Policy is for the Directors and Employees of the Company
- 2.2 The Policy has been drawn up so that Directors and Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized in paragraph 5.

### 3. DEFINITIONS

- 3.1 '**Audit Committee**' means the Audit Committee constituted by the Board of Directors of the Company in accordance with the Companies Act and 49 of the Listing Agreement with the Stock Exchanges.
- 3.2 '**Board**' means the Board of Directors of Ingersoll-Rand (India) Limited or the Company.
- 3.3 '**Directors**' means directors appointed on the Board of the Company including executive, non-executive, independent and nominee directors.
- 3.4 '**Disciplinary Action**' means any action that can be taken on the completion of or during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- 3.5 '**Employees**' includes every employee of the Company (whether working in India or abroad), including the Director in the employment of the Company.
- 3.6 "**Good faith**" shall imply the absence of unethical and improper activity or any other alleged wrongful conduct forming a reasonable basis for making a protected disclosure under the Policy. Good faith shall be deemed to be lacking when the employee does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and / or improper activity or alleged wrongful conduct is malicious, false or frivolous.
- 3.7 '**Protected Disclosure**' means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity and / or any condition that may preempt occurrence of such activities.
- 3.8 '**Subject**' means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 3.9 "**Unethical and / or Improper Activity**" means an activity which does not conform to approved standard of social and professional behavior thereby resulting in unethical business practices.
- 3.10 '**Whistle Blower**' is someone who makes a Protected Disclosure under this Policy.

### 4. GUIDING PRINCIPLES

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

- a. Ensure that the Whistle Blower and / or the person processing the Protected Disclosure is not victimized for doing so;

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

## **5. ELIGIBILITY**

5.1 All Directors and Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company but not limited to:

- a. Abuse of authority;
- b. Breach of code of conduct or employment contract;
- c. Negligence causing substantial and specific danger to public health and safety;
- d. Manipulation of the Company's data or records;
- e. Financial irregularities, including fraud or suspected fraud or deficiencies of internal control and check or deliberate error in preparations of financial statements or misrepresentation of financial reports;
- f. Any unlawful act, whether civil or criminal, the latter having repercussions on the Company and its reputation;
- g. Pilferation of confidential or proprietary information;
- h. Deliberate violation of law or regulations;
- i. Wastage or misappropriation of the Company's funds or assets;
- j. Breach of code of conduct or rules;
- k. Any other unethical, biased, favored, imprudent act or behaviour.

4.2 The Policy should not be used in place of the Company's grievance procedure or be a route for raising malicious or unfounded allegations against colleagues. Any such attempt shall be addressed in the strictest possible manner and may entail disciplinary action against the person acting with malice or animosity.

## **6. DISQUALIFICATIONS**

- a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a *mala fide* intention.

- c. Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be *mala fide*, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under the Policy. In respect of such Whistle Blowers, the Company or Audit Committee would reserve its right to take or recommend appropriate disciplinary action.

## 7. MANNER OF MAKING DISCLOSURE AND INVESTIGATION

- 7.1 Employees can make Protected Disclosures concerning financial or accounting matters, in writing to the Chairman of the Audit Committee of the Company, as soon as possible but not later than thirty consecutive days after becoming aware of the same to the email ID ethics@irco.com
- 7.2 Whistle Blower must put his or her name to allegations. Concerns expressed anonymously WILL NOT BE investigated.
- 7.3 If initial enquiries by the Chairman of the Audit Committee of the Company indicate that the concern has no basis, or it is not a matter to be investigation pursued under this Policy, it may be dismissed at this stage and the decision is documented.
- 7.4 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Chairman of the Audit Committee of the Company alone for this purpose or by the Audit Committee. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings would be made.
- 7.5 It is assured that confidentiality will be maintained of the subject matter of the Disclosure and the identity of the Whistle Blower.
- 7.6 The Chairman of the Audit Committee of the Company shall:
  - i) Make a detailed written record of the Protected Disclosure. The record will include:
    - a) Facts of the matter;
    - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
    - c) Whether any Protected Disclosure was raised previously against the same Subject;
    - d) The financial or other loss which has been incurred or would have been incurred by the Company;
    - e) Findings of Chairman of the Audit Committee of the Company;
    - f) The recommendations of the Chairman of the Audit Committee of the Company on disciplinary or other action (s).
  - ii) The Chairman of the Audit Committee of the Company shall finalise and submit the report and submit it to the Audit Committee for further action.
- 7.7 On submission of report, the Audit Committee shall discuss the matter with Chairman of the Audit Committee of the Company who shall either:

- i) In case the Protected Disclosure is proved, accept the findings and take such Disciplinary Action as it may think fit and take preventive measures to avoid reoccurrence of the matter;
  - ii) In case the Protected Disclosure is not proved, extinguish the matter; or
  - iii) Depending upon the seriousness of the matter, Chairman of the Audit Committee of the Company may refer the matter to the Committee of Directors (Whole-time Directors) with proposed disciplinary action or counter measures. The Committee of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.
- 7.8 In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, he or she can make a direct appeal to the Chairman of the Audit Committee.

## **8. Protection**

- 8.1 Protection to the Whistle Blower under the Policy shall be available provided the following conditions are met with, that is :
- a. the Protected Disclosure is made in good faith;
  - b. the Whistle Blower 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.
- 8.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his or her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination or suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties or functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower receive advice about the procedure, etc.
- 8.2 Appropriate care shall be taken to keep the identity of the Whistle Blower confidential and any such disclosure be made only on a need to know basis.
- 8.3 Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.

## **9. Secrecy or Confidentiality**

- 9.1 The Whistle Blower, the Subject and every one involved in the process shall:

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

9.2 If any one is found not complying with the above, he or she shall be held liable for such disciplinary action as is considered fit.

#### **10. Reporting**

A quarterly report with number of complaints received under this Policy and their outcome shall be placed before the Audit Committee and the Board.

#### **11. Retention of documents**

All Protected Disclosures, documented along with the results of investigation relating thereto, shall be retained by the Company for a minimum period of three years, as mentioned in applicable law, if any.

#### **12. Disclosure**

The details of establishment of the Whistle Blower mechanism shall be disclosed on the website of the Company and in Board's report.

#### **13. Amendment**

The Board of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

#### **14. Annual Affirmation**

The Company shall annually affirm that it has not denied to any person access to the Audit Committee.

The affirmation shall form part of the Report on Corporate Governance in the Annual Report of the Company.