



HINDUSTHAN ENGINEERING & INDUSTRIES LIMITED

(An enterprise of THE HINDUSTHAN GROUP)

Regd. Office : Mody Building 27, Sir R.N. Mukherjee Road, Kolkata-700 001, India • Tel. : +91 33-2248 0166-68 • Fax : +91 33-2248 1922, 8957
CIN : U93000WB1998PLC086303 • E-mail : ho@heilindia.com • Website : www.heilindia.com

Vigil Mechanism

Scope and Purpose:

Hindusthan Engineering & Industries Limited is committed to conducting its business by adopting the highest standards of professional integrity and ethical behavior. The organization has been aiming at developing an open and transparent culture where it is safe for all employees to raise their concern about any unacceptable and unethical practices, including misconduct and provide reassurance that they will be protected from reprisals or victimization for whistle blowing in good faith.

Policy Statement

Vigil Mechanism encourages employees to report unethical business practices at workplace without fear of reprisal as part of Corporate Governance. The policy aims at the following:

- To allow and encourage the employees and business associates and other stakeholders to bring to notice of the management concerns about suspected unethical behavior, malpractice, wrongful conduct, fraud, violation of the Company's Policies, violation of law or questionable Accounting or Auditing matters by any Employee / Director in the company (hereinafter referred to as Wrongful Conduct) without fear or reprisal.
- To ensure timely and consistent organization response and thereby ensuring complete transparency in the organization.
- To prohibit initiation of adverse action against an employee as a result of the disclosure of obligatory information or information in general course of employee's day to day work.
- To build and strengthen a culture of transparency and trust in the organization.

Any employee who becomes aware of suspected wrongful conduct of any employee or associate etc. is encouraged to send his/her observations/concrete facts to the management either through phone or written communication complete with related evidence (to the extent possible) without fear of reprisal or retaliation of any kind.

The information on suspected wrongful conduct is such information which the employee in good faith, believes and/or evidences and inter alia includes:

- a) A violation of any law or regulation, including but not limited to corruption, bribery, theft, fraud, coercion and wilful omission
- b) Pass back of Commissions/ benefits or conflict of interest
- c) Procurement frauds
- d) Mismanagement, Gross wastage or misappropriation of the Company's funds/ assets
- e) Manipulation of the Company's data / records
- f) Stealing cash/the Company's assets; leaking confidential or proprietary information
- g) Unofficial use of Company's materials /human assets
- h) Activities violating Company policies
- i) A substantial and specific danger to public health and safety
- j) An abuse of authority
- k) An act of discrimination or sexual harassment

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



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Reporting:

In alleged wrongful conduct involving Senior Management, the employee can directly approach the Chairman of the Audit Committee. The Contact details of the Chairman of the Audit Committee are as under:-

Shri Biswajit Choudhuri
Rajani Kusumalay, Nandalal Jiu Road
Off 119 Sarat Bose Road
Kolkata – 700 0026 (West Bengal)

In any other case apart from mentioned above, the employees can send their complaints to the email-id mentioned below:

jks@heilindia.com

The Management, upon receipt of disclosure, shall investigate the complaint(s) to ascertain its genuineness and veracity. Based on the outcome of such investigation, the management will take appropriate action in the matter.

Eligibility

All Employees of the Company are eligible to make Protected disclosures under the policy. The protected disclosure may be in relation to matters concerning the Company at the Head Office, Units, Depots and all other places of business.

Role and scope of Whistle Blower

- a. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- b. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Authorised Person or the Chairman of the Audit Committee or the investigators.
- c. Protected Disclosure will be appropriately dealt with by the Chairman of the Audit Committee, as the case may be.

Disqualification

- 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.



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c. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.

Protection to the Whistle Blower

Confidentiality

No adverse action shall be taken against an employee who in good faith makes any disclosure of suspected Wrongful Conduct to the management. The identity of the complainant shall be kept confidential.

Protection against victimization

If it is found that as a result of whistle blowing, any employees is being harassed or ill treated in any manner by his or her superior adequate protection will be provided against victimization of the employee making disclosure in good faith.

Retention of the Records

The Company shall retain a copy of all complaints or concerns, investigation reports and all relevant documentation thereof. The Audit Committee shall decide the period of retention of all these records, subject to limitations in applicable legislation.

Amendment

The Company reserves the right to amend the policy at any point of time. Any amendment to the policy shall take effect from the date when it is approved by Audit Committee and the same is notified to the employees.