

HN SAFAL INFRA DEVELOPERS PRIVATE LIMITED VIGIL MECHANISM POLICY

PREFACE:

Section 177 of the Companies Act, 2013 requires every Listed Company and such class or classes of Companies, as may be prescribed to establish a Vigil Mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed.

The Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism.

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.

POLICY OBJECTIVE:

We, at HN Safal, believe in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil Mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of codes of conduct or policy.

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

DEFINITIONS:

“**Board**” means the Board of Directors of the Company.

“**Company**” means HN Safal Infra Developers Private Limited and all its offices.

“**Employee**” means all the present employees and Directors of the Company.

“**Protected Disclosure**” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation/ conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

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

“**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.

“**Whistle Blower**” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

“**Vigilance and Ethics Officer**” means a Director/ Officer nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, manages the whistleblower policy, leads

investigations into ethical breaches and misconduct and recommend corrective actions, serving as key personnel in maintaining corporate integrity.

GUIDING PRINCIPLES OF THE VIGIL MECHANISM:

To ensure effective implementation of Vigil Mechanism, the Company shall:

- a) Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so.
- b) Ensure complete confidentiality of the Whistle Blower's identity and the information provided by him/her.
- c) Ensure that the Protected Disclosure is acted upon and no evidence is concealed or destroyed.
- d) Ensure that the investigation is conducted honestly, neutrally and in an unbiased manner.
- e) Ensure Whistle Blower would not get involved in conducting any investigative activities other than as instructed or requested by Vigilance Officer.
- f) Ensure the subject or other involved persons in relation with the Protected Disclosure be given a fair and without any presumption of guilt, opportunity to be heard.

SCOPE OF THE POLICY:

The Policy covers disclosure of any unethical and improper events or malpractices which may have taken place/ suspected to take place involving:

- 1) Abuse of authority
- 2) Breach of contract
- 3) Negligence causing substantial and specific danger to public health and safety
- 4) Manipulation of company data/records
- 5) Financial irregularities, including fraud, or suspected fraud
- 6) Criminal offence
- 7) Pilferation of confidential/propriety information
- 8) Deliberate violation of law/regulation
- 9) Wastage/misappropriation of company funds/assets
- 10) Breach of employee Code of Conduct or Rules
- 11) Any other unethical, biased, favored, imprudent event

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

PROCEDURE:

All Protected Disclosures should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English. The Protected Disclosure shall be addressed to the Vigilance Officer.

The contact details of the Vigilance Officer are as under:

Name: Chirag Bipinchandra Shah
Designation: Director
E-mail: chirag.shah@hnsafal.com

In case the complaint is against the Vigilance Officer, it can be lodged with the Chairman of Company **Mr. Uday Hasmukhbhai Vora.**

On receipt of the protected disclosure the Vigilance and Ethics Officer shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not.

The record will include:

- Brief facts;
- Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- Whether the same Protected Disclosure was raised previously on the same subject;
- Details of actions taken by Vigilance and Ethics Officer for processing the complaint
- Findings of the Vigilance and Ethics Officer
- The recommendations of the Vigilance and Ethics Officer / other action(s).

INVESTIGATION:

- All Protected Disclosures under this policy will be recorded and investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other Officer of the Company/an outside agency for the purpose of investigation.
- The Vigilance Officer, if deems fit, may call for further information or particulars from the complainant and at his/her discretion.
- The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact-finding process.
- The investigation shall be completed normally within 45 days of the receipt of the protected disclosure and is extendable by such period as the Vigilance and Ethics Officer deems fit.
- In case, Vigilance Officer is having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

DECISION AND REPORTING

- If an investigation leads to a conclusion that an improper or unethical act has been committed, the Vigilance Officer shall recommend to the Management to take such disciplinary or corrective action as it may deem fit. Any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall be in adherence with the rules, procedures and policies of the Company.
- The Vigilance and Ethics Officer shall submit a report to the Management on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

PROTECTION:

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Protections for Whistle Blower

- a) A Whistle Blower would be given the option to keep his/ her identity anonymous while reporting an incident. The Company will make no attempt to discover the identity of an anonymous Whistle Blower. If the Whistle Blower's identity becomes known during the course of the investigation, the Company will ensure that the identity of the Whistle Blower will be kept anonymous and confidential to the extent possible, unless required by law or in legal proceedings.

- b) A Whistle Blower reporting issues related to Discrimination or Harassment (eg. sexual harassment, child labour, discrimination, violation of human rights) would ideally need to disclose their identity to enable effective investigation.
- c) Any other employee serving as witness or assisting in the said investigation would also be protected to the same extent as the Whistle Blower.
- d) The Vigilance Officer would safeguard the Whistle Blower from any adverse action. This includes discrimination, victimization, retaliation, demotion or adoption of any unfair employment practices.
- f) A Whistle Blower may not be granted protection under this mechanism if he/she is subject of a separate complaint or allegations related to any misconduct.

DISQUALIFICATIONS

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.

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 this Policy. In respect of such Whistle Blowers, the Vigilance Officer would reserve its right to take/recommend appropriate disciplinary action.

COMMUNICATION

Directors and Employees shall be informed of the Policy vide an internal communication to all employees and Directors.

ADMINISTRATION AND REVIEW OF THE POLICY:

The Vigilance Officer shall be responsible for the administration, interpretation, application and review of this policy. The Vigilance Officer also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Management.

RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Directors and employees unless the same is not communicated to them in a manner prescribed above.
