



## **HEC INFRA PROJECTS LIMITED**

### **VIGIL MECHANISM /WHISTEL BLOWER POLICY**

[Pursuant to Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 & as per Section 177 (9) of the Companies Act. 2013]

#### **Registered Office:**

Sigma-1 Corporates, Corporate House No.6, Nr. Mann Party Plot Cross Road,  
Sindhu Bhavan Road, Bodakdev, Ahmedabad-380054.

## **BACKGROUND:**

Pursuant to provision of Section 177 of the Companies Act, 2013, including any amendments thereto, 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 Company has adopted a Code of Conduct for Board of Directors and Senior Management (“the Code”), which lays down the 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. Such a Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

In terms of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendments thereto, (hereinafter also referred to as Listing Regulations), the Company is required to formulate a vigil mechanism for directors and employees to report genuine concerns. The vigil mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

In terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015, including any amendments thereto, (hereinafter also referred to as Insider Trading Regulations), the Company is required to formulate a whistle blower policy to enable employees to report instances of leak of Unpublished Price Sensitive Information (“UPSI”). The Company has adopted a Code of Practices and procedure for fair disclosure of Unpublished Price Sensitive Information and code of conduct to regulate and monitor the conduct of designated persons (“Insider Trading Code”) while dealing in the securities of the Company. Any actual or potential violation of the Insider Trading Code or Code of Practices and procedure for fair disclosure of Unpublished Price Sensitive Information, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a whistle blower policy shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

## **POLICY:**

In compliance of the above requirements, HEC Infra Projects Limited, (HEC), being a Listed Company has established a Vigil (Whistle Blower) Mechanism and formulated a Policy in order to provide a framework for responsible and secure whistle blowing/ vigil mechanism.

## **POLICY OBJECTIVES:**

- a) The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company Encourages its employees who have concerns about suspected misconduct and/ or who have witnessed or have knowledge of instances of leak of UPSI or have concerns about suspected leakage of UPSI, to come forward and express these concerns without fear of punishment or unfair treatment.
- b) The purpose of this Policy is to allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization without the employees being necessarily required to inform their superiors and to create awareness amongst employees to report instances of leak of unpublished price sensitive information.
- c) A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or instances of leakage of UPSI or suspected leakage of UPSI or violation of the Code of conduct and/ or the Insider Trading Code and /or Code of Practices and procedure for fair disclosure of Unpublished Price Sensitive Information adopted by the Company. This Policy is intended to check that whenever any unacceptable/improper practice and/or any unethical practice and/or any instances of leak of unpublished price sensitive information and/ or any other genuine concern is reported by a Director or an employee, proper action is taken to check such practice/wrongdoing and the concerned Director or employee is protected / safeguarded against any adverse action and/or any discrimination and/or victimization for such reporting. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/ Chairman of the Audit Committee in exceptional cases.
- d) 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 against people in authority and / or colleagues in general.

## **SCOPE:**

This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company's rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies and other matters or activities on account of which the interest of the Company is affected.

However the mechanism does not release the employees from their duty of confidentiality in the course of their work and nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

#### DEFINITIONS:

- I. **“Alleged wrongful conduct”** shall mean violation of law, infringement of Company’s rules, Misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.
- II. **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance with the guidelines of Listing Regulation and Companies Act, 2013.
- III. **“Board”** means the Board of Directors of the Company.
- IV. **“Company”** means the HEC Infra Projects Limited
- V. **“Code”/ “Code of Conduct”** means Code of Conduct for Directors and Senior Management Executives adopted by the Company.
- VI. **“Employee”** means all the present employees (including Contract Employees on Contractual Basis) and Managing / Whole Time / Executive Directors of the Company whole time Directors of the Company whether working in India or abroad.
- VII. **“Insider Trading Code”** means Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons”.
- VIII. **“Protected Disclosure”** means a concern raised by an employee or group of employees or any Director 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.
- IX. **“Subject(s)”** 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.
- X. **“Unpublished Price Sensitive Information”** means any information, relating to the 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, de-listings, disposals and expansion of business and such other transactions.
- v) changes in key managerial personnel;

- XI. **“Vigilance and Ethics Officer”** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- XII. **“Whistle Blower”** is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.

**ELIGIBILITY:**

All Directors/Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

**RECEIPT AND DISPOSAL OF PROTECTED PROCEDURE:**

All Protected Disclosures should be reported in writing by the complainant as soon as possible, 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 should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy” or sent through email with the subject “Protected disclosure under the Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants and they are not advised neither to write their name /address on the envelope nor enter into any further correspondence with the Vigilance Officer. Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance Officer. On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.

The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer / Chairman of the Audit Committee/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

All Protected Disclosures should be addressed to the Whistle and Ethics Officer of the Company or to the Chairman of the Audit Committee or Managing Director in exceptional cases. The contact details of the Whistle Officer are as under:-

❖ **Ms. Jeel Patel, Company Secretary**

HEC Infra Projects Limited  
Sigma 1 Corporate, Corporate House No.6,  
Sindhu Bhawan Road, Nr. Mahan Party Plot Crossroad,  
Bodakdev, Ahmedabad, Gujarat – 380054  
Email – [cs@hecproject.com](mailto:cs@hecproject.com)

Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman of the Company should be addressed to the Chairman of the Audit Committee.

The contact details of the Chairman and the Chairman of the Audit Committee are as under:

❖ **Mr. Gaurang Shah, Chairman & Managing Director**

HEC Infra Projects Limited  
Sigma 1 Corporate, Corporate House No.6,  
Sindhu Bhawan Road, Nr. Mahan Party Plot Crossroad,  
Bodakdev, Ahmedabad, Gujarat – 380054  
Email – [gpsah@hecproject.com](mailto:gpsah@hecproject.com)

❖ **Mr. Sachin Kansal, Chairman of Audit Committee**

HEC Infra Projects Limited  
Sigma 1 Corporate, Corporate House No.6,  
Sindhu Bhawan Road, Nr. Mahan Party Plot Crossroad,  
Bodakdev, Ahmedabad, Gujarat – 380054  
Email – [vimalgpatel@hecproject.com](mailto:vimalgpatel@hecproject.com)

On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he/ she was the person who made the protected disclosure or not. The record will include:

- a) Brief facts;
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;

- c) Whether the same Protected Disclosure was raised previously on the same subject;
- d) Details of actions taken by Vigilance and Ethics Officer / Chairman for processing the complaint
- e) Findings of the Audit Committee
- f) The recommendations of the Audit Committee/ other action(s).

The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

#### **INVESTIGATION:**

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself/herself or by involving any other Officer of the Company / Committee constituted for the same an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/ or Committee and/ or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

Subject(s) will have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

Subject(s) will have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.

Subject(s) will have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by him/ her.

Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject(s) should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject(s) and the Company.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit. Any member of the Audit Committee or other officer 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 outcome of the investigation indicates that an improper or unethical or wrongful act has been committed, it will be recommended to the management of the Company to take appropriate corrective action. Any such disciplinary or corrective action shall be subject to the applicable Personnel or staff conduct and disciplinary procedures.

The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.

In case the Subject(s) is the Chairman of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject(s) to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

#### **SECRECY / CONFIDENTIALITY:**

The complainant, Vigilance Officer, Members of Audit Committee, the Subject(s) and everybody involved in the process shall, maintain confidentiality of all matters under this Policy, discuss only to the extent or with those persons as required under this policy for completing the process of investigations, keep the papers in safe custody and keep the electronic mails/ files under password.



**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 Complainant shall be kept confidential to the extent possible and permitted under law. The identity of the Complainant will not be revealed by the Company. Any other Complainant assisting in the said investigation shall also be Vigilance to the same extent as the Complainant.

**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 7 (Seven) years or such other period as specified by any other law in force, whichever is more.

**ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE:**

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in Exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable Directions in this regard.

**COMMUNICATION:**

A Whistle Blower policy cannot be effective unless it is properly communicated to directors/ employees. The policy should be published on the website of the company.

**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. Any change in the Policy shall be approved by the Board of Directors of the Company. Any subsequent amendment/modification in the Companies Act, 2013 or the Rules framed thereunder or the Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy. However, no such amendment or modification will be binding on the Directors and employees unless the same is notified to them in writing.

**EFFECTIVE DATE:**

This Policy is effective from 1<sup>st</sup> April, 2019.

(Note: Pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the Board of Directors at their meeting held on 30<sup>th</sup> March, 2019 approved the Revised Policy of “VIGIL MECHANISM / WHISTLE BLOWER POLICY”)

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