

ALFRED HERBERT (INDIA) LIMITED

VIGIL MECHANISM AND WHISTLE BLOWER POLICY OF AHIL

1. BACKGROUND

- 1.1 Under Section 177(9) of the Companies Act, 2013, every listed company is required to establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed. Also, as per Section 177(10) of the Companies Act, 2013, such a vigil mechanism is required to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. Also, the details of establishment of such mechanism are required to be disclosed by the company on its website and in the report of the Board of Directors.
- 1.2 Also, Clause 49 of the Listing Agreement between listed companies and the stock exchanges, as amended from time to time, inter alia, provides for all listed companies to establish a vigil mechanism for directors and employees to report, concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism is also required to provide for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee of the company in exceptional cases. As also provided under the Companies Act, 2013, the details of Establishment of such mechanism is required to be disclosed on the Company's website and in the report of Board of Directors.
- 1.3 In light of the aforesaid background and further as responsible law abiding corporate citizen, AHIL has established this Vigil Mechanism and Whistle Blower Policy (hereinafter referred to as "Policy").

2. POLICY OBJECTIVES

- 2.1 This Policy provides a channel to the directors and employees of Alfred Herbert (India) Limited to report to the Management, inter alia, concerns about unethical behaviour, fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees of AHIL and also provides for Direct access to the Chairman of the Audit Committee in exceptional cases.
- 2.2 It is clarified that this Policy neither absolves 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

3. SCOPE OF THE POLICY

This Policy inter alia covers malpractices, misuse or abuse of authority, fraud/unethical conduct, misappropriation of monies and other matters or activity on account of which the interest of the Company is affected and formally reported by Whistle Blowers. The Whistle Blower's role is that of a reporting party with reliable evidence.

4. DISQUALIFICATIONS

- 4.1 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.
- 4.2 Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower.
- 4.3 Whistle Blowers, who make a Protected Disclosure, which has been subsequently found to be false or bogus or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, Audit Committee / NO would reserve its right to take/recommend appropriate disciplinary action.
- 4.4 Notwithstanding anything stated in this Policy, issues with regard to promotions, increment, performance incentive leave sanctions, transfer or any other action arising out of terms of employment or actions pursuant to company's initiative towards lean management will not be dealt with under this Policy.

5. PROCEDURE

- 5.1 All Protected Disclosures concerning financial/accounting matters of the Company should be addressed to the Chairman of Audit Committee of the Company for investigation.
- 5.2 In respect of all other Protected Disclosures, and those concerning other employees should be addressed to the Nodal Officer of the Company.
- 5.3 The contact details of the Chairman of the Audit Committee are as under:

Mr. S S Jain
Flat No.G8
3,Middleton Row
Kolkata- 700 071.

The contact details of the Nodal Officer are as under:

Mr. R. Radhakrishnan

- 5.4 The Whistle Blower should disclose his/her identity in the covering letter forwarding such Protected Disclosure.
- 5.5 After making a "Protected Disclosure" where an employee resigns/retires, settlement of the dues would be done after the conclusion of the investigation.
- 5.6 On submission of resignation/termination, an employee becomes ineligible for making a "Protected Disclosure".

6. INVESTIGATION

- 6.1 All Protected Disclosures reported under this Policy will be investigated in the manner and mode as decided by the CAC/NO on a case to case basis including involving any investigators for the purpose of investigation.
- 6.2 The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- 6.3. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, coerced, threatened or intimidated by the Subjects/Whistle Blower.
- 6.4 It shall be the endeavour of the Company to have the investigation completed within 45 days of the receipt of the Protected Disclosure.

7. PROTECTION

- 7.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. Protection will, therefore, be given to Whistle Blowers against any unfair practice.
- 7.2 The identity of the Whistle Blower shall be kept confidential during the process of investigation to the extent possible and permitted under law.

8. INVESTIGATORS

Investigators are required to conduct a search towards fact-finding and analysis. Investigators shall derive their authority and access rights from the CAC/NO when acting within the course and scope of their investigation.

9. DECISION

If an investigation leads the CAC/NO to conclude that an improper or unethical act has been committed, the CAC shall recommend to the management of the Company to take such disciplinary or corrective action as the CAC/NO may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the legal provisions.

10. REPORTING

A report to the Audit Committee shall be submitted on a "calendar quarter" basis about all Protected Disclosures together with the results of investigations.

11. RETENTION OF DOCUMENTS

All Protected Disclosures along with the results of investigation relating thereto shall be retained by the NO for a minimum period of five years.

12. 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.

13. NOTIFICATION

This Policy shall be communicated within the Company by putting it on the Company's website.