



INTRODUCTION

Whistle Blower Policy is the deed of making exposure of misconduct, alleged dishonest or illegal activity occurring in an organization to the public or an authorized person in anticipation of adopting the appropriate measures of corrections. The alleged misconduct may be classified in many ways; for example, a violation of a law, rule, regulation and/or a direct threat to public interest, such as fraud, health and safety violations, and corruption. This policy is an effective mechanism to encourage disclosures regarding all wrongdoings in the organization. It informs the Board of Directors about the teething problems in the organization, which otherwise remains uninformed to them even though lower level employees are acquainted of these issues. Thus it is indeed a challenge to the unlawful activities that pose threats in the success of the organization.

The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing i.e. reporting unethical behaviour, actual or suspected fraud or violation of any of policies of the Company. Whistleblowers may make their allegations internally (for example, to other people within the accused organization) or externally (to regulators, law enforcement agencies, to the media or to groups concerned with the issues).

This policy protects employees, customers and/or third-party intermediaries coveting to raise a concern about serious irregularities within the Company and hence as a safeguard mechanism against victimization of employees.

DEFINITIONS

The definitions of some of the terms used in this policy have been provided herein below:

Audit Committee means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 292A of the Companies Act, 1956 or Section 177 of the Companies Act, 2013 for the time being in force and read with Clause 49 of the Listing Agreement with the Stock Exchanges.

Code means Code of Conduct of the Company.

Company means Hisar Metal Industries Limited.

Disclosure means any proclamation made in good faith by the Whistle Blower disclosing information that may evidence an unethical conduct in the Company.

Investigators include the persons appointed by the Audit Committee of the Company.

Policy means Whistle Blower Policy of the Company.



Reportable Matters means Questionable Accounting or Auditing Matters (defined below), and/or any other Company matters involving abuse of authority, breach of Code of Conduct of the Company, violation of provisions of code of insider trading, fraud, bribery, corruption, employee misconduct, illegality, health safety, environmental issues, wastage/misappropriation of Company funds/assets and any other unethical conduct.

Questionable Accounting or Auditing Matters include, without limitation, the following:

- fraud or deliberate error in the preparation, evaluation, review or audit of any financial statement of the Company;
- fraud or deliberate error in the recording and maintaining of financial records of the Company;
- misrepresentation or false statement to or by a senior officer or accountant regarding a matter contained in the financial records, financial reports or audit reports of the Company; or
- deviation from full and fair reporting of financial condition of the Company.

Subject means a person against or in relation to whom a disclosure has been made. It may be an individual or group of individuals.

Whistle Blower means a director or employee making a disclosure under this Policy.

The terms used in this Policy but not defined shall have the same meanings as mentioned under the Code of Conduct or Code of Conduct for prevention of Insider Trading for the time being in force.

SCOPE

- This Policy is an extension to the Code and seeks to provide a procedure for the employees of the Company to make a disclosure on any Reportable Matter in the Company.
- All the employees are eligible to make disclosures on Reportable Matters.
- Disclosures on such matters shall be dealt with by the Audit Committee of Board of Directors of the Company.
- The role of Whistle Blower is of a reporting party only. He is not required to make any investigation on the matter concerned nor would he determine the appropriate corrective or remedial action.
- This Policy is not, however, intended to question financial or business decisions taken by the Company that are not Reportable Matters nor should it be used as a means to reconsider any matters which have already been addressed pursuant to disciplinary or other internal procedures of the Company.

PROCEDURE

Parameters of Disclosures

- All Disclosures concerning Reportable Matters by the Whistle Blower shall be raised with someone (may be his/her manager, supervisor or the person in contact) who is in the best position to deal with them. However, if Whistle Blower is not comfortable speaking with supervisor or manager or not satisfied with response he / she is encouraged to speak with someone in the Human Resources Department or anyone in management with whom he / she is comfortable in approaching.
- Managers, supervisors, or persons in contact to whom such matters had been raised are required to report the same immediately to the Audit Committee of the Company.
- Disclosures should preferably be reported in writing in the Form appended herein-below so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- The Whistle Blower must disclose his/her identity in the covering letter forwarding such disclosures.
- The Whistle Blower must provide factual corroborating evidence or proof as is available and to the extent possible to enable the commencement of investigation at the earliest. The information provided shall be on the basis of first-hand experienced instead of any unreliable, secondary source such as grapevine or any other form of informal communication.

Investigation

- The type of investigation will depend upon nature of concern. The matters raised may be investigated internally or referred to outside party. The inquiry shall be conducted in a fair and unbiased manner and should be treated as a neutral fact finding process.
- The identity of a Subject shall be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- Subject shall be duly informed of the allegations made against him at the outset of a formal investigation and shall have regular opportunities for providing his/her inputs during the investigation.
- Subjects are not allowed to interfere in investigation process till its completion.
- Subjects shall not destroy or manipulate any evidence and shall not influence, threaten or intimidate the witness, if they are found indulging in any such actions will make themselves liable for disciplinary actions.
- Under no circumstances, subjects shall compel investigators to disclose the identity of the Whistle Blower.



- Subjects shall have a duty to co-operate with the Investigators during investigation to the extent possible that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- Subjects can, at any time, engage counsel at their own cost to represent them in the investigation proceedings.
- Subjects have a right to be informed of the outcome of the investigation process in writing after completion of the inquiry and be provided opportunity to respond to the results.
- The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- In case the results of the investigation accentuated that allegations made by the Whistle Blower against the subject are dismissed and repudiated then the Company shall reimburse all the expenses incurred by the Subject in order to defend/justified him/her in the investigation process.
- The investigation process shall be completed normally within 30 days of the receipt of disclosure on Reportable Matter and any delay shall be justified in the investigation report.

Judgment

If an investigation leads the investigators to conclude that an unethical act or alleged dishonest or illegal activity had been committed by the subject the Audit Committee of the Company shall 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 outcome of investigation process shall adhere to the applicable disciplinary procedure.

Reporting and Retention of documents

The investigators shall submit a report on a quarterly basis to the Board of Directors of Company regarding total number of disclosures received in previous quarter, if any, nature of complaint, outcome of investigation, actions recommended by the Audit Committee and implementation of the same. All disclosures in writing or documents along with the results of investigation relating thereto shall be retained by the Company for a minimum period of five years.

GENERAL INSTRUCTIONS

Disqualification

This Policy is surely premeditated to protect the genuine Whistle Blowers from any unfair treatment (as stated herein below) as a result of their disclosures concerning alleged

dishonest, illegal act or any other reportable matter; although misuse of this protection by making delusive and fallacious complaints is strictly interdicted. As concern with such Whistle Blower, the Audit Committee would reserve its right to disqualify him from making further disclosures and take/recommend appropriate disciplinary action.

Confidential

All concerns and issues raised under this policy shall be treated in a confidential manner. Similarly the identity of the Whistle Blower and Subject of the investigation shall not to be disclosed to any person, except investigators, for facilitation of the pertinent investigation, unless it becomes necessary to resolve the matter.

Protection to Whistle Blower

No unfair treatment will be meted out to a Whistle Blower, his friend and/or relative by virtue of his/her having reported a disclosure under this Policy. The Company shall also ensure that full protection has been granted to him/her against the below mentioned circumstances:

- I. The Whistle Blower shall be protected from any retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or
- II. Any direct or indirect use of authority to obstruct the right of Whistle Blower to continue to perform his duties/functions including making further Disclosure.

Protection provided to the Whistle Blower encourages him/her to reveal misconduct instead of swallowing it.

HISAR METAL	HISAR METAL INDUSTRIES LIMITED <small>In Pursuit of Excellence</small>
WHISTLE BLOWER POLICY	
Adopted on February 12, 2014	

Protected Disclosure Form

The Audit Committee
 Hisar Metal Industries Limited
 Near I.D.C., Delhi Road
 Hisar - 125 005 (Haryana)

Details of Whistle Blower

Name	
Designation	
Department	
Contact Number	
E-mail	
Corresponding Address	

Details of Subject

Name	
Designation	
Department	
Names of other individuals involved (if any)	

Details of Reportable Matter

Nature of violation			
Consequences/Effects of violation			
Related facts of the event	<u>Date</u>	<u>Time</u>	<u>Place</u>

Additional related facts you may like to mention (if any)	
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I hereby declare that abovementioned details and attached documents in support of evidence (if any) are true and correct to best of my knowledge.

Date: _____

_____ Signature