

WHISTLE BLOWER POLICY

OF

**ANSAL HOUSING &
CONSTRUCTION LIMITED**

EFFECTIVE: FEBRUARY 06, 2015

Preamble

Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of the (Meetings of Board & its Powers) Rules, 2014 requires every listed Company to establish a Vigil Mechanism for the Directors and Employees of the Company to report genuine concerns in such manner as may be prescribed.

The Company has adopted a revised Code of Conduct for Board Members and Senior Management Personnel of the Company w.e.f 28.05.2014 ("the Code") which lays down the principles and standards that should govern the actions of the Directors and employees of the Company.

Any actual or potential violation of the Code of Conduct, howsoever insignificant or perceived as such, is a matter of serious concern for the Company and it is desirable for the Company to have an appropriate vigil mechanism enabling the employees and other concerned to fearlessly report such violations to the Board/ Senior Management. Such a vigil mechanism shall provide for adequate safeguards against victimization of the persons who use such mechanism and also make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Effective from October 01, 2014, Clause 49 of the Listing Agreement between the Companies and Stock Exchanges, inter alia, provides for a mandatory requirement for all the listed companies to establish mechanism called "Whistle Blower Mechanism" for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct.

In compliance of the above requirements, Ansal Housing & Construction Limited, being a listed company has established a Vigil (Whistle Blower) Mechanism and formulated this policy in order to provide a framework for responsible and secure Whistle Blowing/ Vigil Mechanism.

1. Preface

Ansal Housing & Construction Limited (including its subsidiaries, affiliates, associate(s), joint ventures, group company (ies) {hereinafter referred to as the 'Company' or 'AHCL' } believes in the conduct of its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour and complete compliance of laws, as amended from time to time.

Towards this end, the Company has already adopted the Code of Conduct ("the Code") w.e.f. 28.05.2014, 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. The role of the employees in pointing out such violations of the Code cannot be undermined.

2. Policy objectives

- (i) The Company is committed to adopting procedures to receive and address any concern or complaint related but not limited to questionable accounting or auditing matters, internal accounting controls, disclosure matters, reporting of fraudulent financial information to our shareholders, any government entity or the financial markets, or any other company matters involving fraud, employee misconduct, illegality or health and safety and environmental issues which cannot be resolved through normal management channels.
- (ii) This Whistle blower mechanism will enable director/s or stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices, actual or suspected fraud or violation of the Code of Conduct or Policy for the time being in force, and also permit the Company to address such disclosures or complaints by taking appropriate action, including but not limited to, disciplining or terminating the employment and/or services of those responsible. The Company will not tolerate any retaliation against any employee, customer and/or third party intermediary for reporting in good faith any inquiry or concern.
- (iii) The vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. This mechanism provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of conduct or ethics policy, for the time being in force.

3. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code of Conduct.

- a. **“Audit Committee”** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 292A / 177 of the Companies Act, 1956/ 2013 and read with Clause 49 (F) (III) of the Listing Agreement with the Stock Exchanges.

- b. **“Employee”** means any permanent employee or officer of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- c. **“Code”** means the Code of Conduct of the Company.
- d. **“Chairman & Managing Director”** means the person appointed and holding the position of the Chairman & Managing Director of the Company in terms of the Companies Act, 1956/ 2013 and the applicable rules.
- e. **“Investigator”** means those persons appointed and authorized by the Chairman of the Audit Committee and include the statutory auditors and the police.
- f. **“Protected Disclosure”** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- g. **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- h. **“Whistle Blower”** means the director or the employee making a Protected Disclosure under this Policy.
- i. **“Mechanism / Policy”** means Vigil Mechanism/ Whistle Blower Policy for directors and employees of the Company framed in terms of Section 177 of Companies Act, 2013 and its applicable rules under the Act read with Clause 49 of the Listing Agreement with the Stock Exchanges.
- j. **Words and expressions** used and not defined herein but defined in the Companies Act, 2013, Securities Contracts (Regulation) Act, 1956, SEBI Act, 1992, and Rules/ Regulations framed therein, and the Listing Agreement shall have the meaning assigned to them in those provisions.

4. Scope

- a. This Policy is an extension of the Code of Conduct of the Company which is already in place. 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 Chairman of the Audit Committee or the Investigators.

- c. Protected Disclosure will be appropriately dealt with by the Chairman of the Audit Committee.

5. Whistle Blowers

Whistle Blowers shall mean and include the following categories of people in this policy:

- a) Employees of the Company;
- b) Directors of the Company;
- c) Customers of the Company and
- d) Vendors doing business with the Company.

6. Disqualifications

- 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.
- c. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be *mala fide* or malicious or Whistle Blowers who make three 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.

7. Ensure Effectiveness

To ensure that this mechanism / policy is adhered to, and to assure that the concern and grievances will be acted upon effectively with all seriousness, the Company shall:

- a) provide for adequate safeguards against victimization of the directors and employees who avail and invoke this mechanism / policy and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases;
- b) treat victimization as a serious matter including initiating disciplinary action against person (s) responsible for such victimization;
- c) ensure complete confidentiality;
- d) not attempt to conceal evidence of the protected disclosure;
- e) take disciplinary action, if any one destroys or conceals evidence of the protected disclosure made / to be made.

8. Coverage of Mechanism / Policy

This mechanism /policy cover unethical or improper activity or behaviour or events which have taken place /suspected to take place invoking:

- a) Manipulation of Company data/ records;
- b) Abuse of authority;
- c) Breach of contract;
- d) Breach of code of conduct or rules;
- e) Deliberate violation of law / regulation;
- f) Pilferage of confidential / propriety information;
- g) Wastage / misappropriation of company funds/ assets;
- h) Financial irregularities, including fraud or suspected fraud;
- i) Criminal offence
- j) Negligence causing substantial and specific danger to public health and safety;
- k) Any other activity/ies or behaviour or events, whether unethical or improper in nature, which are against the interests of the Company.

9. False Complaints

- a) While this mechanism/ policy is intended to protect genuine whistle blowers from any unfair treatment as a result of their protected disclosure, misuse of this protection by making frivolous and bogus complaints with malafide intentions is strictly prohibited and liable for Disciplinary Actions.
- b) In case of repeated frivolous complaints being filed by the Whistle Blower, the Audit Committee may take suitable action against the concerned person including issuing reprimand.
- c) This mechanism/ policy should not be used in place of the Company grievance procedures or to be a route for raising malicious or unfounded allegations against seniors, colleagues or juniors.

10. Procedure

1. The Disclosures can be made to the Audit Committee of the Company and it shall be addressed to the Chairman of the Audit Committee and can be sent to the registered office of the Company i.e. at 15 UGF, Indra Prakash, 21 Barakhamba Road, New Delhi-110 001. Alternatively, the Whistle Blower can submit the disclosures to the e-mail id whistleblower@ansals.com. This e-mail id shall be accessed by the Chairman of the Audit Committee.

2. Protected Disclosures should preferably be reported in writing 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.
3. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Protected Disclosure shall be considered by the Audit Committee and if found fit for further investigation, it shall be investigated by the Audit Committee itself or by the Investigator(s) appointed by the Audit Committee for this purpose. In case, the matter is decided to be investigated by an Investigator, the Chairman of the Audit Committee shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
4. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
5. For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/her identity in the covering letter forwarding such Protected Disclosure.
6. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
7. Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
8. Subject(s) have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistle Blower.
9. Subject(s) 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 the Subject(s).
10. 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 a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
11. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether

Public Disclosure of the investigation results would be in the best interest of the Subject and the Company.

12. 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 and report shall be made to the Audit Committee and the Subject(s).

11. Investigation

- a) The Audit Committee is duly authorized to investigate / oversee any Disclosures reported under this policy. The Audit Committee shall be assisted by the investigators on such terms as the committee may deem fit, for the implementation and reporting under this policy.
- b) All Disclosures made under this policy shall be recorded and duly actioned, if required, in accordance with the recommendation made by the Audit Committee.
- c) The Audit Committee may, at its discretion, conduct an investigation. However, an investigation shall be launched only after the review of the Disclosures prima facie establishes that:
 - i) The Disclosure made, constitutes an unethical/ improper practice, as defined under this policy;
 - ii. The Disclosure made is supported by adequate information to support an investigation. Confidentiality of the Whistle Blower shall be maintained during the inquiry/ investigation process.
- d) Any inquiry/ investigation conducted against any Subject Employee shall not be construed by itself as an act of accusation and shall be carried out as a neutral fact finding process, without presumption of any guilt.
- e) The inquiry/ investigation shall be conducted in a fair manner and provide an equal opportunity for hearing to the affected party and a written report of the findings should be prepared.
- f) The members of the Audit Committee and the Investigators (after obtaining adequate authorization from the members of the Audit Committee) shall have right to call for and examine any information / document and /or employees of the Company, as may be deemed necessary for the purpose of conducting inquiry/ investigation under this policy

12. Protection

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- b. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same itself or through an Investigator and recommend suitable action to the management.
- c. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

13. Administration and review of the policy

The Chairman & Managing Director shall be responsible for the administration, interpretation, application and review of this policy and shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

14. Decision

If an investigation made by an Investigator and/or members of the Audit Committee leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Chairman of the Audit Committee 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 applicable personnel or staff conduct and disciplinary procedures.

15. Reporting

As per the Clause 49 (IIF) of the Listing Agreement, the compliance to the whistle blower policy shall be reported in the quarterly Compliance Report on the Corporate Governance to the Stock Exchanges where the shares of the Company are listed.

16. Disclosure

As per the requirement of Clause 49 (F) (3) of the Listing Agreement, the details of establishment of such mechanism shall be disclosed by the company on its website and in the Board's report.

The Annual Report of the Company shall also disclose and affirm that no personnel has been denied the access of the audit committee to raise his/her concern pursuant to the policy.

17. Access to chairman of the audit committee

The Whistle Blower shall have right to access the Chairman of the Audit Committee directly in exceptional cases.

18. 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.

19. 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 which will be in contradiction of law.

20. Date of Commencement

This Whistle Blower Policy/Mechanism shall be effective from February 06, 2015.