

WHISTLEBLOWER POLICY

1. Preface

- a. The Company believes 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 behavior. Towards this end, the Company has adopted the Code of Conduct ("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. The role of the employees in pointing out such violations of the Code cannot be undermined.
- b. Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a vigil mechanism –
- Every listed company;
 - Every other company which accepts deposits from the public;
 - Every company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores.

2. Objective

"Every employee of a company shall promptly report to the management, and / or third-party ethics helpline, when she / he become aware of any actual or possible violation of the Code or an event of misconduct, act of misdemeanor or act not in the company's interest. The company shall ensure protection to the whistleblower and any attempts to intimidate him/her would be treated as a violation of the Code"

3. Definitions

- a. **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Clause 49 of the Listing Agreement with the Stock Exchange.
- b. **"Employee"** means every employee of the Company including the directors in the employment of the Company.
- c. **"Code"** means the HTL Code of Conduct.
- d. **"Investigators"** mean those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee and includes the auditors of the Company and the police.

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e. "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

f. "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.

g. "Whistleblower" means an employee or director making a Protected Disclosure under this Policy.

4. Scope

a. This Policy is an extension of the Code of Conduct. The Whistleblower's role is that of a reporting party with reliable information.

b. Whistleblowers 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, as the case may be.

5. Eligibility

All employees and directors of the Company are eligible to make Protected Disclosures under the Policy.

6. Disqualifications

a. While it will be ensured that genuine Whistleblowers 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 Whistleblower knowing it to be false or bogus or with a *mala fide* intention.

c. Whistleblowers, 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.



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7. Procedure

- a. All Protected Disclosures concerning financial/accounting matters and other matters as well as those concerning the employees in an organization should be addressed to the Chairman of the Audit Committee of the Company for investigation on his email id : gujarat.gears@gmail.com or at his office.
- c. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised.
- d. The Protected Disclosure should be forwarded under a covering letter which may bear the identity of the Whistleblower. The Chairman of the Audit Committee shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- e. The Whistleblower may disclose his/her identity in the covering letter forwarding such Protected Disclosure.

Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit Committee of the Company who will investigate / oversee the investigations under the authorization of the Audit Committee.
- b. The Chairman of the Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
- c. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation and have opportunities for providing their inputs during the investigation.
- d. Subjects shall have a duty to co-operate with the Chairman of the Audit Committee or any of the Investigators during investigation.
- e. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
- f. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- g. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.



