

Hilltone Software and Gases Ltd

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 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. Regulation 4(2)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides for a mandatory requirement for all listed companies to establish a mechanism called “Whistle Blower Policy” for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company’s code of conduct.

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel (“the Code”), which lays down the principles and standards that govern the actions of the Directors and Senior Management Personnel.

Whistle Blowing Policy is a device to help alert and responsible individuals to bring to the attention of the management, promptly and directly, any unethical behavior, suspected fraud or abrasion or irregularity in the Company practices which is not in line with Hilltone Software and Gases Ltd’s (“The HSGL”) Code of Conduct, Business Principles / Policies or the law of the land, without any fear or threat of being victimized. The spirit of the Policy is to foster a sense of collective responsibility in safeguarding the business interests. The Policy provides an avenue to report matters directly to the Management. The policy also provides for reporting in confidence. Through this Policy, a vigil mechanism is established for every employee to report genuine concerns.

POLICY

In compliance of the above requirements, HSGL 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.

“**Protected Disclosure**” means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

“**Vigilance Officer/Vigilance Committee or Committee**” is a person or Committee of persons, nominated/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.

“Subject” 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.

ELIGIBILITY

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

SCOPE OF THE POLICY:

The Policy is an extension of the Code of Conduct for Directors & Senior Management Personnel and covers disclosure of any unethical and improper or malpractices and events which have taken place/ suspected to take place involving:

1. Breach of the Company’s Code of Conduct.
2. Breach of Business Integrity and Ethics.
3. Breach of terms and conditions of employment and rules thereof.
4. Intentional Financial irregularities, including fraud, or suspected fraud.
5. Deliberate violation of laws/regulations.
6. Gross or Wilful Negligence causing substantial and specific danger to health, safety and environment.
7. Manipulation of company data/records, Pilferation of confidential/propriety information.
8. Gross Wastage/misappropriation of Company funds/assets.

PROCEDURE (HOW THE COMPLAINT WILL BE DEALT WITH):

The concerns raised may:

- form the subject of an independent inquiry;
- be investigated internally;
- be referred to the external Auditor; or
- be referred to the police; if required.

Upon receipt of a concern, an initial enquiry will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may also be resolved by an agreed action without the need for investigation.

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/

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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.

The concerns raised under Whistle Blowing shall be reported to the Audit Committee of the Company. The concerns raised under Whistle Blowing shall be reported to the Audit Committee of the Company.

COMMUNICATION

Directors and Employees shall be informed of the Policy by publishing on the website of the Company.

RAISING A CONCERN:

The whistle blowing mechanism should be used for potentially serious or sensitive issues. Operational concerns shall be raised with immediate line manager or head of respective operational department.

The concern/suspected violation can be addressed to any of the following person:

- Respective HOD.
Or
- Company Secretary & Compliance Officer.
or
- CFO.

By sending an E-Mail to hilltonegases@yahoo.com or

By sending a letter addressed to Company Secretary at:

Plot No 71/P Siddhi Vinayak Estate, Santej Vadsar Road, Santej, T: Kalol, Dist: Gandhinagar-382721, Gujarat

DISCLAIMER

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.

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.

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

MODIFICATION/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 on the Directors and employees unless the same is not communicated in the manner described as above.