

राष्ट्रीय राजमार्ग एवं अवसंरचना विकास निगम लिमिटेड

सड़क परिवहन और राजमार्ग मंत्रालय, भारत सरकार
तीसरी मंजिल, पीटीआई बिल्डिंग, 4-संसद मार्ग, नई दिल्ली-110 001

National Highways & Infrastructure Development Corporation Limited

Ministry of Road Transport & Highways, Govt. of India

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NHIDCL/GM(HR)/Circulars/2020/ eOffice- 180696/5598

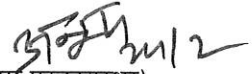
Dated 24-02-2020

परिपत्र

Sub: NHIDCL Whistle Blower Policy/Vig Mechanism, 2019.

The Board of Directors of NHIDCL, in its 20th meeting held on 10.12.2019, has approved the NHIDCL Whistle Blower Policy/Vig. Mechanism -2019 keeping in view the need to maintain the highest standards of professionalism, honesty, integrity and ethical behavior as enshrined in Whistle Blower Protection Act, 2011 as also the DPE Guidelines on Corporate Governance for CPSEs 2010.

2. The Whistle Blower Policy/Vig. Mechanism-2019 is applicable to all employees in the employment of the Company including Directors on the Board of the Company.
3. All employees of NHIDCL may familiarize themselves with the various provisions of the NHIDCL Whistle Blower Policy/Vig. Mechanism -2019 and follow the same in letter and spirit.
4. This issues with the approval of the Competent Authority and comes into immediate effect.


(अनूप पुरकायस्था)
महाप्रबंधक (मानव संसाधन)

Distribution:

- i. All employees: NHIDCL Whistle Blower Policy/Vig. Mechanism - 2019 may be accessed from Employee Portal.
- ii. Dy. Manager (Rajbhasha), NHIDCL for Hindi Translation.
- iii. GM (IT) for uploading on Employee Portal.
- iv. Notice Boards.

Copy to:

PS to MD, Director (A&F) & Director (Tech), NHIDCL.

DRAFT NHIDCL Whistle Blower Policy/ Vigil Mechanism-2019

1. PREFACE

- 1.1 NHIDCL believes that highest standards of professionalism, honesty, integrity and ethical behavior are the four corner-stones for every business establishment for its sustained growth. Accordingly, the Company has established a Whistle Blower Policy for the Employees, Directors and other staff working through outsourced agencies to freely communicate their concerns about illegal or unethical practices with necessary protection mechanism for such whistle blower.
- 1.2 The subject 'Vigil Mechanism' gained its momentum and secured unassailable place under the new legislations including the Companies Act, 2013 (Section-177 Clause 9 & 10) the Whistle Blower Protection Act, 2011, and DPE Guidelines on Corporate Governance for CPSEs-2010).
- 1.3 It would be relevant to note that the Whistle Blower Protection Act, 2011 has necessary jurisdiction over the Central Public Sector Enterprises (CPSEs) with Central Vigilance Commissioner (CVC) as the competent authority.
- 1.4 In view of the above, it is proposed to frame and establish a new policy under the nomenclature "NHIDCL Whistle Blower Policy/ Vigil Mechanism - 2019" as provided hereunder:

2. POLICY

- 2.1 In compliance with the above requirements, National Highways & Infrastructure Development Corporation Limited, being a Central Public Sector Enterprises, wholly owned by Ministry of Road Transport & Highways, Govt. of India has established the "NHIDCL Whistle Blower Policy/ Vigil Mechanism-2019" in order to provide a framework for responsible and secure whistle Blowing / Vigil Mechanism.

3. OBJECTIVES

- 3.1 The Vigil (Whistle Blower) Mechanism aims to provide a channel to the Directors and Employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct for Board Members and Senior Management Personnel and CDA rules in respect of other employees below Board level.
- 3.2 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct in business operations and in order to maintain these standards, the Company encourages its Directors and Employees who have genuine concerns about

unethical behavior, actual or suspected fraud or violation of Code of Business Conduct and Ethics for Board Members and Senior Management Personnel of the Company and CDA Rules to come forward and express their concerns without fear of punishment/ victimization or unfair treatment.

- 3.3 The mechanism provides for adequate safeguards against victimization of Directors and Employees or Whistle Blower under this Policy to avail of the mechanism and also provide for direct access to the Chairman of Audit Committee in exceptional cases.
- 3.4 This neither releases the Directors or Employees or other Whistle Blower from their duty of confidentiality in the course of their work nor can it be used as a foil or shield for raising malicious or unfounded allegations on personal grounds.

4. DEFINITIONS

- 4.1 **"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 the DPE Guidelines on Corporate Governance. If the Audit Committee of the Company is not in place due to any reason, then the Board of Directors will nominate one of the Director to discharge the functions of the Chairman of Audit Committee, under this policy.
- 4.2 **"Code"** means the Code of Business Conduct and Ethics for Board Members and Senior Management Personnel as adopted by the Company which includes all key executives of the Company.
- 4.3 **"Company/NHIDCL"** means National Highways & Infrastructure Development Corporation Limited.
- 4.4 **"Competent Authority"** shall mean the Director (A&F) or any other Functional Director as may be nominated by the Managing Director to receive and deal with complaints under this policy from time to time.
- 4.5 **"Complaint"** means a complaint made under this policy which discloses information which may be treated as evidence of improper activity unethical behavior, actual or suspected fraud, or violation of the Company's general guidelines on conduct and ethics as prescribed in CDA Rules and Codes of Conduct for Board Members and Senior Management Personnel.
- 4.6 **"Improper Activity"** means any activity, unethical behavior, actual or suspected fraud (as defined in clause 4.7) and violation of CDA Rules or Code of Business Conduct and Ethics for Board Members and Senior Management Personnel by an employee of the Company that is undertaken in performance of his or her official duty, whether or not that act is within the scope of his or her employment, including but not limited

to abuse of authority, breach of contract, manipulation of company data, pilferage and/or sharing of confidential/ proprietary information, criminal offence, bullying or intimidation, corruption, bribery, theft, conversion or misuse of the Company's property, fraudulent claim, fraud or willful omission to performance the duty, or that is economically wasteful or involving gross misconduct, incompetence or gross inefficiency and any other unethical, biased, favored or imprudent act.

- 4.7 **"Fraud"** in relation to affairs of a Company, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any *"wrongful gain"* or *"wrongful loss"*. While fraudulent activities could have a very wide range of coverage, the following are some of the act(s) which constitutes fraud:

(The list given below is only illustrative and not exhaustive)

- (i) Forgery or alteration of any document or account belonging to the Company.
- (ii) Forgery or alteration of cheque, bank draft or any other financial instruments etc.
- (iii) Misappropriation of funds, securities, supplies or other assets by fraudulent means etc.
- (iv) Falsifying records such as pay rolls, removing of documents from files and / or replacing it by a fraudulent note etc.
- (v) Willful suppression of facts/ deception in matters of appointment, placement, submission of reports, tender committee recommendations etc as a result of which wrongful gain(s) is made to one and wrongful loss(s) is caused to the others.
- (vi) Utilizing company funds and/or facilities for personal purposes.
- (vii) Authorizing or receiving payments for goods not supplied or service not rendered.
- (viii) Destruction, disposition, removal of records or any other assets of the Company with an ulterior motive to manipulate and misrepresent the facts so as to create suspicion/ suppression/ cheating as result of which objective assessment/ decision would not be arrived at.
- (ix) Accepting bribes/ gifts etc. from outsiders.
- (x) Any other act that falls under the gamut of fraudulent activity or as may be specified by CVC or DPE.

- 4.8 **“Wrongful gain”** means the gain by unlawful means of property to which the person gaining is not legally entitled.
- 4.9 **“Wrongful loss”** means the loss by unlawful means of property to which the person losing is legally entitled.
- 4.10 **“Corruption”** is the abuse or misuse of entrusted power for private gain.
- 4.11 **“Employee”** means every person in the employment of the Company (whether working on Deputation/Contract basis), including the Directors on the Board of the Company.
- 4.12 **“Exceptional case”** means a Protected Disclosure or Complaint of Improper activity concerning the Director(s) of the Company excepting the Chairman of Audit Committee.
- 4.13 **“Investigator(s)”** means those person(s) authorized, appointed, consulted or approached by the Competent Authority / the Chairman of Audit Committee, as the case may be in connection with conducting investigation into a complaint and includes the Chief Vigilance Officer, Employees and Auditors of the Company, external person(s) of eminence and the Police or such other law enforcement authorities.
- 4.14 **“Nodal Officer”** means the Company Secretary of the Company, for the time being, who shall assist the Competent Authority or the Chairman of Audit Committee, as the case may be, in dealing with the Protected Disclosures or Complaints of Improper activity. Till the post of Company Secretary is filled up, the Competent Authority may assign the work of nodal officer to any other suitable officer.
- 4.15 **“Protected Disclosure or Complaint of improper activity”** means a written communication of a concern made in good faith, which discloses or demonstrates information that may evidence an improper activity, which would be factual and not speculative and should contain as much specific information as possible so that the nature and extent of the concern be assessed appropriately. No personal grievance shall be covered under Protected Disclosure or Complaint under this policy.
- 4.16 **“Screening Committee”** means an Executive Committee constituted under this Policy consisting three (3) members in the rank and grade of General Manager and above by names as may be nominated by the Competent Authority from time to time. Any two (2) such members shall constitute the quorum for the meetings.
- 4.17 **“Subject”** means a person or group of persons against or in relation to whom a Protected Disclosure or complaint of improper activity is made or evidence gathered during the course of an investigation.

- 4.18 "Whistle Blower or Complainant" means a Director, Employee as defined in clause 4.11 and other staff working through outsourced agency/ies who makes a Protected Disclosure **Complaint of improper activity** under this Policy and also referred in this policy as a Whistle Blower or Complainant.
- 4.19 "CDA Rules" means NHIDCL's Conduct, Disciplinary & Appeal Rules as approved by the Board.

5. SCOPE

- 5.1 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 detectors of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- 5.2 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 authorized by the Competent Authority, the Chairman of Audit Committee or the Investigators.
- 5.3 Protected Disclosure or **Complaint of improper activity** will be appropriately dealt with by the Competent Authority or the Chairman of Audit Committee, as the case may be. The complaints forwarded by the Competent Authority/Chairman, Audit Committee under this policy, without the identity of the Whistle Blower will not be treated as anonymous complaints.

6. ELIGIBILITY

- 6.1 All Directors and Employees of the Company and other staff working through outsourced agency/ies are eligible to make Protected Disclosures or **Complaint of improper activity** under the Policy in relation to matters concerning the Company.

7. PROCEDURE

- 7.1 All Protected Disclosures should be addressed to the Competent Authority i.e.;

The Director (A&F),

National Highways & Infrastructure Development Corporation Limited

3rd Floor, PTI Building, Parliament Street,

Near Transport Bhawan,

New Delhi-110001

E-mail: shall be provided in due course.

The Whistle Blower shall have right to access the Chairman of Audit Committee directly in **exceptional cases** such as Protected Disclosure or Complaint of Improper activity concerning the Director(s) of the Company excepting the Chairman of Audit Committee and refer the Protected Disclosure or Complaint of Improper activity to the following official;

The Independent Director - (S/Smt.....)
National Highways & Infrastructure Development Corporation Limited
3rd Floor, PTI Building, Parliament Street,
Near Transport Bhawan,
New Delhi-110001
E-mail:

The Chairman of Audit Committee is authorized to take suitable action in this regard.

- 7.2 If a Protected Disclosure or **Complaint of improper activity** is received by any executive of the Company other than Competent Authority or the Chairman of Audit Committee, the same should be forwarded to the Competent Authority for further action. In all circumstances, appropriate care must be taken to keep the identity and information of the Whistle Blower confidential.
- 7.3 All Protected Disclosures or **Complaint of improper activity** should be reported in writing by the Whistle Blower as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English or Hindi or local language, as applicable.
- 7.4 The Protected Disclosure or **Complaint of improper activity** should be submitted under a covering letter signed by the Whistle Blower in a closed and secured envelope and should be super-scribed as "**Protected Disclosure under the Whistle Blower policy**" or sent through email with the caption as "Protected Disclosure under the Whistle Blower policy" to the Competent Authority or the Chairman of Audit Committee, who in turn refer the complaint to the Screening Committee after confirming the genuineness of the disclosure/complaint and duly concealing the identity of the whistle blower. If a complaint is not super-scribed or not closed and secured as mentioned above, it will be dealt with as if it were a normal disclosure and the same would not deserve the privileges otherwise available for Protected Disclosures under this Policy.
- 7.5 In order to protect the identity of the complainant, acknowledgement will not be issued to the Whistle Blowers.

- 7.6 Complaints against the Board Level Executives shall, after concealing the identity, be forwarded by the Competent Authority or the Chairman, Audit Committee, as the case may be, to the CVO, Ministry of Road Transport & Highways, Government of India, for further processing
- 7.7 Anonymous / Pseudonymous disclosure shall not be entertained.

8. NODAL OFFICER

- 8.1 Nodal Officer shall be responsible to receive the Complaint from the Whistle Blowers and make necessary entry in the Register and then submit the same to the Competent Authority or the Chairman of Audit Committee, as the case may be, for necessary actions in terms of this Policy.
- 8.2 Further, the Nodal Officer shall convey the directions of the Competent Authority or, as the case may be, the Chairman of Audit Committee to all the person(s) concerned with the Protected Disclosures, including the Whistle Blower, Members of Screening Committee, Investigator(s) and Subject.
- 8.3 In addition, the Nodal Officer shall place necessary agenda item as mentioned in clause 12 of the Policy before the Audit Committee of the Board.

9. INVESTIGATION

- 9.1 The Screening Committee upon receipt of the Protected Disclosures or **Complaint of improper activity** from the Competent Authority or, as the case may be, the Chairman of Audit Committee shall make discreet inquiry to ascertain whether there is any basis for proceeding further to investigate the complaint. If the Screening Committee is of the opinion that there is no sufficient ground for proceeding further on the complaint, it shall recommend closure of the matter.
- 9.2 Investigations will be commenced only after a preliminary review by the Competent Authority or the Chairman of Audit Committee establishes that:
- i) The alleged act constitutes an improper or unethical activity or conduct or fraud, and
 - ii) the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information and still felt that the subject matter would be worthy of investigation.
- 9.3 The Screening Committee shall make the recommendations within ten (10) working days from the date of receipt of the complaint. In the absence of any member(s), the

available members of the Committee, being not less than two (2), shall make the recommendations.

- 9.4 If the Screening Committee, as a result of the discreet inquiry or otherwise, is of the opinion that the complaint requires further investigation, it will make a recommendation to forward the complaint to the vigilance division for further investigation. On receipt of the recommendation, the Competent Authority or the Chairman of Audit Committee, as the case may be, shall forward the complaint to the vigilance division for further investigation and report.
- 9.5 In case of any conflict of interest between the subject matter of the complaint and Competent Authority or Member(s) of the Screening Committee, Investigator(s) shall derive their authority with the concurrence of the Chairman of Audit Committee, while proceeding with his/her/their investigation.
- 9.6 Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased, both in fact and as perceived. Investigators have a duty of maintaining fairness, objectivity and professional standards.
- 9.7 The Competent Authority or the Chairman of Audit Committee, if it deems fit, may call for further information or particulars from the complainant or Whistle Blower and at their discretion, involve any other / additional Officer of the Company and / or Committee and / or an outside agency for the purpose of investigation.
- 9.8 The Whistle Blower should give his name, address, contact number(s) and e-mail address in the beginning or at the end of complaint or in an attached letter so that the same can be concealed, while processing further. 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.
- 9.9 Subject will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 9.10 Subject shall have a duty to co-operate with the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- 9.11 Subject shall have the right to consult with a person or persons of their choice, other than the Investigators and/or members of Screening Committee / Competent Authority/ Chairman of Audit Committee/ Whistle Blower concerned. Subject may engage counsel at his/her own cost to represent them in the investigation proceedings.

- 9.12 Subject shall not interfere with the investigation in whatsoever manner. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject.
- 9.13 Unless there are compelling reasons not to do so, Subject shall be given an opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is reasonable evidence in support of the allegation.
- 9.14 Subject shall have a right to be informed of the outcome of the investigation. 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.
- 9.15 The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.
- 9.16 The investigation shall normally be completed within 120 days of the receipt of the Protected Disclosure and is extendable by such period as the Audit Committee deems fit.
- 9.17 Any member of the Board or other officer having any conflict of interest with the matter shall disclose his / her concern / interest forthwith and shall not deal with the matter.

10. DECISION

- 10.1 If an investigation leads to a conclusion that an improper or unethical act or fraud haben been committed, the Competent Authority or, as the case may be, the Chairman of Audit Committee shall recommend to the Audit Committee for review and forwarding, if felt necessary, to competent disciplinary authority (CDA) to take disciplinary or corrective action as it may deem fit.

11. REPORTING

- 11.1 A quarterly report with number of Protected Disclosures or complaints of improper activity received under the Policy and their outcome shall be placed before the Audit Committee by the Chairman of Screening Committee.
- 11.2 A Whistle Blower/ complainant, who makes false allegations of improper activity or fraud or about alleged wrongful conduct of the Subject, shall be liable to appropriate disciplinary action in accordance with appropriate disciplinary and conduct

rules/regulations.

12. CONFIDENTIALITY

- 12.1 The Whistle Blower, Subject, Investigator(s), Member(s) of Audit/Screening Committee, Nodal Officer, the Chairman of Audit Committee, Competent Authority and others connected with a Protected Disclosure shall maintain confidentiality of all matters under this Policy, discuss only to the extent or with those person(s) as required under this policy for completing the process of investigation and keep the papers and other materials in safe custody.

13. PROTECTION

- 13.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his / her having reported a Protected Disclosure under this policy. Adequate safeguards against victimization of complainants/ whistle Blower shall be provided. 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/her 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.
- 13.2 A Whistle Blower may report any violation of the above clause to the Chairman of Audit Committee, who shall investigate into the same and recommend suitable action to the executive management.
- 13.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee, assisting in the said investigation, shall also be protected to the same extent as the Whistle Blower.
- 13.4 Whistle Blower should not enter into any correspondence with the Competent Authority/ the Chairman of Audit Committee in their own interest. If any further clarification is required, the Whistle Blower will be contacted.

14. DISQUALIFICATIONS

- 14.1 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.

- 14.2 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.
- 14.3 Whistle Blowers, who make any Protected Disclosures or complaints of improper activity, which have been subsequently found to be mala fide or malicious or frivolous or baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy and also shall be liable to be proceeded under the Conduct and Disciplinary Rules, Regulations or applicable Standing Orders of the Company.

15. COMMUNICATION

- 15.1 The Directors and the Employees shall be construed to have been given a copy of this Policy by placing the same on the NHIDCL e-Access - an intranet platform of the Company. The said policy shall also be uploaded on the website of the company as required under Section 177 (10) of the Companies Act, 2013.

16. RETENTION OF DOCUMENTS

- 16.1 All Protected Disclosures in writing or documented along with the reports of Investigation relating thereto, shall be retained by the Nodal Officer for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

17. AMENDMENT

- 17.1 The Board reserves its right to amend or modify, in whole or in part, or repeal this Policy 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 communicated in the manner described under Clause 16 above.
