

HOUSING & URBAN DEVELOPMENT CORPORATION LTD.
7-A, India Habitat Centre, Lodhi Road, New Delhi-110003

No.:F.11(117)/2014-HRMA/CS-178

Date: 24th October, 2016

CIRCULAR

Subject: Vigil Mechanism.

As per Section 177 of the Companies Act, 2013,

1. HUDCO requires establishing a vigil mechanism for Directors and its Employees to report their genuine concerns in such manner as may be prescribed.
2. Audit Committee shall oversee the vigil mechanism and if any of the members of the Committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.
3. Vigil mechanism shall provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
4. Details of establishment of such mechanism shall be disclosed by the Company on its website and in the Directors Report.
5. In case of repeated frivolous complaints being filed by a Director or an Employee, the Audit Committee may take suitable action against the concerned Director or Employee including reprimand.

HUDCO has the requisite vigil mechanism in place. However, the Audit Committee, in its 101st meeting held on 26th September, 2016, vide Item No.101.04, decided to provide adequate safeguards against victimization of persons, who use such vigil mechanism by making provision for direct access to

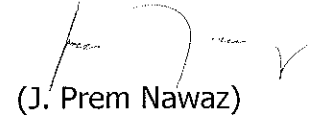
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the Chairperson of the Audit Committee in appropriate or exceptional cases at a separate email id allotted to Chairman Audit Committee for exclusive use.

In the context of the above, as further desired, the contents of the above decision are brought to the information of all employees and Directors as per the Companies Act, 2013, for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases, at the following e-mail ID of the Chairman Audit Committee:

chair_auditcommittee@hudco.org

This issues with the approval of the Competent Authority.



(J. Prem Nawaz)
Executive Director (HRMA)

- 1. Chairman & Managing Director**
- 2. Chairman Audit Committee**
- 3. Directors, HUDCO Board**
- 4. All employees**

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