



NARAYANA HRUDAYALAYA LIMITED



Whistle Blower Policy

1. Preface:

*As per the requirements of the Section 177 of the Companies Act, 2013, every listed company and such class or classes of companies as prescribed in the Companies (Meetings of Board and its Powers) Rules, 2014 is required to establish a vigil mechanism through the “Whistle Blower Policy” for Directors and Employees to report concerns of unethical behavior, instances of leak of Unpublished Price Sensitive Information and unauthorized Insider Trading by Employees/Directors, actual or suspected fraud or violation of the Company's Code of Conduct..

Narayana Hrudayalaya Limited believes in the conduct of affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior and is committed to developing a culture where it is safe for all employees to raise concerns about any unacceptable practice or any event of misconduct. The organization provides a platform for directors and employees to disclose information internally, which he/she believes shows serious malpractice, impropriety, abuse or wrongdoing within the company without fear of reprisal or victimization. Further, assurance is also provided to directors and employees that prompt action will be taken to investigate complaints made in good faith.

Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide for a mechanism for Directors, Employees and stakeholders of the Company to report any violation of the Code of Conduct and / or laws applicable to the Company.

2. Objectives:

The following are the objectives:

- i. To enable directors and employees to voice concerns in a responsible and effective manner.
- ii. To provide a platform for directors and employees to disclose information on internally, without fear of reprisal or victimization.
- iii. To enable disclosure of information, independently of line management
- iv. To ensure that no director or employee of the Organization feels he/she is at a disadvantage while raising legitimate concerns.

3. Scope of the Policy:

- i. The Whistleblower policy intends to cover serious concerns/unwelcome practices that could have grave impact on the operations and performance of the business of the Company.
- ii. This policy is an extension of the NHL Code of Conduct. Whistle Blowers should not act on their own in conducting any investigation activities.
- iii. Any untrue allegations will not be taken up and investigated and appropriate action will be taken for the same.
- iv. *This policy is intended to assist individuals who believe they have discovered any malpractice, impropriety or incidence of leak of Unpublished Price Sensitive Information and unauthorized Insider Trading in securities of the Company. It is not designed to question financial or business decisions taken by the firm nor should it be used to reconsider any matters which have been investigated under the harassment, grievance or disciplinary policies and procedures.



4. Definitions

The definitions of some of the key terms used in this Policy are given below. In case any terms are not defined herein, they shall have the same meaning assigned to them under the Code of Conduct of the Company.

- 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.
- b) “Code” means the Code of Conduct of the Company.
- c) “Director” means a member of the Board of Directors of the Company.
- d) “Employee” means every employee of the Company (whether working in India or abroad) including the Directors in the employment of the Company.
- e) “Improper Act” means any concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct.
- f) “Investigator” means those persons authorized, appointed, consulted or approached by the Chairman of the Audit Committee including Auditors of the Company and the police.
- g) “Policy” means this Whistle Blower Policy
- h) “Protected Disclosures” means any communications made by a Whistle Blower in good faith that expresses concerns of Improper Acts.
- i) “Whistle Blower” means an Employee, a Director or other stake holders of the Company making a Protected Disclosure under this policy.

5. Eligibility

All Employees, Directors of the Company and other stakeholders are eligible to make Protected Disclosures under the Policy.

6. Disqualification

- 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 three or more Reported Disclosures, which have been found to be *mala fide*, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting any further Reported Disclosures under this Policy. In such instances, the Investigating Committee and / or Audit Committee would reserve its right to take/recommend suitable action against concerned person including reprimand.



7. Procedure

- a) All Protected Disclosures should be addressed to the Chairman of the Audit Committee.
- b) The Contact details for reporting of Protected Disclosures are as under:
Chairman of Audit Committee
Narayana Hrudayalaya Limited
No.258/A, Bommasandra Industrial Area,
Anekal Taluk, Bangalore-560099
- c) Protected Disclosures shall be reported in writing so as to ensure clear understanding of the issue/s raised and should be typed or handwritten in legible handwriting in English, Hindi or regional language of place of employment of the Whistle Blower.
- d) Protected Disclosures shall be forwarded with a covering letter which shall bear the identity of Whistle Blower. The Chairman of the Audit Committee shall detach the covering letter and identity of the Whistle Blower before sending the matter for investigation to the Investigator.
- e) Anonymous disclosures shall not be entertained under this Policy.

8. Investigation

- a) All Protected Disclosures received will be recorded and looked into by the Chairman of the Audit Committee. If initial enquiries made by the Chairman of the Audit Committee indicate that the Protected Disclosure has no basis, or it is not a matter to be pursued under this Policy, it may be dismissed at this stage, and shall be sent to the Managing Director, if any, or the Board of Directors, of the Company and the decision shall be documented with the justification for arriving at such decision. In such cases, the Chairman of the Audit Committee will also give a proper feedback to the Whistle Blower, explaining the reasons of such dismissal. The Chairman of Audit Committee, to the extent feasible, shall endeavor to take all these steps within a period of 30 days or such other period as may be extended from the date of receipt of the Protected Disclosure.
- b) If initial enquiries made by the Chairman of the Audit Committee indicate that further investigation is necessary, this will be carried through either by the Chairman of the Audit Committee alone or by an Investigation Committee. In case the Chairman of the Audit Committee decides to get the investigation carried out by an Investigation Committee, he shall form the Committee within 7 working days of arriving at such decision.
- c) The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. To the extent feasible, the Chairman of the Audit Committee or the Investigation Committee, as the case may be, shall conclude the Investigation within a period of 30 days or such extended period



from the commencement of the Investigation and shall make a written report of the findings on the conclusion of such Investigation.

9. Protection

- a) No unfair treatment shall be meted out to Whistle Blower on account of his / her having reported a Protected Disclosure under this Policy. The Company, as a Policy, condemns any kind of discrimination, harassment or victimization or unfair employment practices being adopted against any Whistle Blower.
- b) A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall forthwith investigate into the matter.
- c) Confidentiality will be maintained by the Committee members with regard to the information and identity of whistle blower unless warranted during the investigation.

10. Investigators

- a. Investigators are required to conduct a process towards fact finding, and analysis related to alleged improper or unethical activities. Investigators shall derive their authority and access rights Chairman of the Audit Committee, while acting within the course and scope of their investigation.
- b. Technical and other resources may be drawn upon as necessary to improve the investigation. All Investigators shall be independent and unbiased. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review which establishes that:
 - i. The alleged act constitutes an improper or unethical conduct, and
 - ii. Either the allegation is supported by information specific enough to be investigated or matters that do not meet this standard may be worthy of management review, but investigation should not be undertaken as an investigation of an improper or unethical activity.

11. Decision

If an investigation leads the Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Audit Committee shall recommend to the management / Board of the Company to take such disciplinary or corrective action as they deem fit, respectively. It is clarified that any disciplinary or corrective action initiated against the Alleged Person 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.



12. Reporting

The Chairman of the Audit Committee shall submit a report about all Protected Disclosures referred to him with the results of the Investigation to the Managing Director and the Board of Directors of the Company.

13. Retention of documents

All Protected Disclosures, documentation in relation to the Investigation, and the results of the Investigation shall be retained by the Company for a minimum period of 3 years.

14. Communication of this policy

For all new Employees and Directors, a copy of this Policy shall be handed over as a part of the joining documentation, along with other HR related policies. For all existing Employees and Directors, a copy of this Policy shall be handed over within one month of the adoption of this Policy by the Board of Directors of the Company. This Policy shall also be posted on the website of the Company and in the Directors' Report of the Company.

15. Amendment

Any change in the Policy shall be approved by the Board of Directors of the Company. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

16. Grid for penalties

The Board shall formulate a policy on penalties/ an appropriate action under this policy.

As approved by the Board of Directors at the meeting held on 16th July, 2015.

*Amended to include instances of Unpublished Price Sensitive Information and Unauthorized Insider Trading by Employees/Directors pursuant to Reg 9A(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015 in the meeting of the Board of Directors held on 15th June 2020.

