
VIGIL MECHANISM POLICY
OF NEOTIA HEALTHCARE INITIATIVE LIMITED

1. **INTRODUCTION**

- 1.1 Section 177 of the Companies Act, 2013 (hereinafter referred to as “**the Act**”) requires certain classes of companies to establish a vigil mechanism for the directors and employees to report genuine concerns.
- 1.2 The Company believes in promoting a fair, transparent, ethical and professional work environment.
- 1.3 Based on the aforesaid, this policy of Vigil Mechanism (hereinafter referred to as “**the Mechanism**”) is established.
- 1.5 While the “**Code of Business Conduct and Ethics for the Directors and Employees**” (hereinafter referred to as “**the Code**”) of the Company defines the expectations from employees in terms of their integrity and professional conduct; the Mechanism defines the process for reporting genuine concerns or grievances.

2. **DEFINITIONS**

- 2.1 “**Audit Committee**” means a Committee constituted by the Board of Directors of the Company pursuant to the provisions of Section 177 of the Act.
- 2.2 “**Board**” means the Board of Directors of the Company.
- 2.3 “**Employee**” means all the present employees and Key Managerial Personnel of the Company.
- 2.4 “**Ethics Committee**” means selected employees of the Company who are authorized to receive protected disclosures from Whistle Blower, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the results thereof.
- 2.5 “**Investigators**” means selected employees or third parties charged with conducting investigations to ascertain the credibility of the Whistle Blower’s complains which includes the auditors of the Company and the police.
- 2.6 “**Protected Disclosure**” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “**SCOPE OF THE POLICY**” with respect to the Company. However, the Protected Disclosures should be factual and not speculative or in the nature of an interpretation / conclusion and should contain

as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

2.7 “**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.

2.8 “**Whistle Blower**” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

3. **POLICY OBJECTIVES**

3.1. The Mechanism shall provide a channel to the employees to report to the management; concerns about unethical behavior, actual or suspected fraud or violation of the codes of conduct or policy.

3.2 The Mechanism provides for adequate safeguards against victimization of employees to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

4. **SCOPE OF THE POLICY**

4.1. This Policy covers malpractices and events which have taken place / suspected to have taken place which may negatively impact the interest of the Company.

4.2 This may include:

4.2.1 Breach of the Code;

4.2.2 Inaccuracy in maintaining the Company’s books of accounts and financial records;

4.2.3 Intentional financial irregularities, including fraud, or suspected fraud;

4.2.4 Procurement fraud;

4.2.5 Deliberate violation of laws / regulations;

4.2.6 Manipulation of company data / records;

4.2.7 Conflict of interest;

4.2.8 Misuse of company assets and resources;

4.2.9 Inappropriate sharing of company’s information;

4.2.10 Corruption and bribery;

4.2.11 Unfair trade practices and anti-competitive behavior;

4.2.12 Gross or willful negligence causing substantial and specific danger to health, safety and environment;

4.2.13 Sexual harassment;

4.2.14 Child Labour;

4.2.15 Discrimination in any form;

4.2.16 Violation of human rights.

5. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

- 5.1 Protected Disclosures should be reported in writing by the Whistle Blower as soon as possible after he / she becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.
- 5.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **“Protected Disclosure under the Vigil Mechanism”**. If the complaint is not super scribed and closed as mentioned above it will not be possible for the Audit Committee to protect the Whistle Blower and the protected disclosure will be dealt with as if a normal disclosure.
- 5.3 In order to protect identity of the Whistle Blower, the Committee will not issue any acknowledgement to the Whistle Blower and the Whistle Blower is advised neither to write the name / address of the Whistle Blower on the envelope nor to enter into any further correspondence with the Audit Committee. In case any further clarification; the Audit Committee will get in touch with the Whistle Blower.
- 5.4 Anonymous / Pseudonymous disclosure shall not be entertained by the Audit Committee.
- 5.5 The Protected Disclosure should be forwarded under a covering letter signed by the Whistle Blower, which shall contain his / her details. The Protected Disclosure should not disclose the identity of the Whistle Blower.
- 5.6 The Chairman of Audit Committee shall open the closed envelope and detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 5.7 All Protected Disclosures should be addressed to the Ethics Committee of the Company. The contact detail of the Ethics Committee is annexed herewith.
Address of the Ethics Committee: The Ethics Committee
'Vishwakarma', 86C, Topsia Road (S),
Kolkata – 700 046
- 5.8 All Protected Disclosure against the members of the Ethics Committee or the Managing Director / Whole Time Director should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman of the Audit Committee are as under:
Address of the Chairman : Chairman – Audit Committee
'Vishwakarma', 86C, Topsia Road (S),
Kolkata – 700 046

- 5.9 On receipt of the Protected Disclosure; the Ethics Committee / the Chairman of the Audit Committee shall make a record of the Protected Disclosure and also ascertain from the Whistle Blower whether he was the person who made the Protected Disclosure or not before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:
- 5.9.1 Brief facts;
 - 5.9.2 Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - 5.9.3 Whether the same Protected Disclosure was raised previously on the same subject by the same Whistle Blower;
 - 5.9.4 Details of actions taken by the Audit Committee for processing the complaint.
 - 5.9.5 Findings of the Audit Committee;
 - 5.9.6 The recommendations of the Audit Committee / other action(s).
- 5.10 The Audit Committee, if it deems fit, may call for further information or particulars from the Whistle Blower.

6. **DISQUALIFICATION**

- 6.1 Issues other than those listed under the heading “**SCOPE OF THE POLICY**” shall be disqualified.
- 6.2 The Whistle Blower is not able to provide specific information that covers at least some of the following points:
- 6.2.1 Location of the incident;
 - 6.2.2 Timing of incident;
 - 6.2.3 Personnel involved;
 - 6.2.4 Specific evidence;
 - 6.2.5 Frequency of issue.
- 6.3 In case the Whistle Blower is unable to provide adequate information, the Audit Committee reserves the right to not to investigate the reported matter.

7. **ETHICS COMMITTEE**

- 7.1 The Company has established an Ethics Committee for managing the Mechanism. The composition of the Ethics Committee is as follows:
- 7.1.1 Chief Financial Officer;
 - 7.1.2 Company Secretary;
 - 7.1.3 Functional head of the Human Resource Department.
- 7.2 Ethics Committee would be responsible to receive the Protected Disclosures from

the Whistle Blower in an unbiased manner.

- 7.3 Ethics Committee shall take necessary actions to maintain confidentiality within the organisation on issues reported.
- 7.4 Ethics Committee will identify and recommend the resources to the Audit Committee who would conduct the investigations based on issues reported.
- 7.5 Ethics Committee would be responsible for recommending disciplinary or corrective action to the Audit Committee against the Subject, if investigation proves to be in favour of the allegations raised by the Whistle Blower.
- 7.6 Ethics Committee shall put forward such other recommendations as the Audit Committee may require from time to time.

8. **INVESTIGATORS**

- 8.1 Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee when acting within the course and scope of their investigation.
- 8.2 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 fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.
- 8.3 Investigations will be launched only after a preliminary review by the Audit Committee which establishes that:
 - 8.3.1. the alleged act constitutes an improper or unethical activity or conduct, and
 - 8.3.2. 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.
- 8.4 The Investigators shall document the entire approach of the investigation process. Investigation Reports including the approach of investigation should be submitted to the Audit Committee with all the documents in support of the observations.

9. **INVESTIGATION**

- 9.1 All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving Investigators for the purpose of investigation.

-
- 9.2 The decision whether to conduct an investigation or management review, as the case may be, shall be taken by the Audit Committee at its ultimate discretion.
- 9.3 The decision to conduct an investigation or management review, as the case may be, by itself does not constitute an accusation and is to be treated as a neutral fact finding process.
- 9.4 During the course of investigation:
- 9.4.1 Ethics Committee will be given authority to take decisions related to the investigation;
- 9.4.2 Any required information related to the scope of the allegations would be made available to the Investigators.
- 9.5 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 9.6 Subject(s) shall have a duty to co-operate with the Audit Committee or the Investigators appointed by it in this regard to the extent that such cooperation will not compromise self incrimination protections available under the applicable laws.
- 9.7 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 9.8 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 9.9 Subject(s) have a right to be informed of the outcome of the investigations.
- 9.10 The investigation shall be completed normally within 90 (ninety) days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit and as applicable.
10. **DECISION AND REPORTING**
- 10.1. The Audit Committee along with its recommendations will report its findings to the Human Resource Department through the Ethics Committee within 15 days of receipt of report for further action as deemed fit.
- 10.2 The Human Resource Department shall take disciplinary or corrective actions

against the Subject. Copy of above decision shall be addressed to the Audit Committee, the Ethics Committee, the Whistle Blower and the Subject.

- 10.3 The decision of the Human Resource Department should be considered as final and no challenge against the decision would be entertained, unless additional information becomes available.
- 10.4 A Whistle Blower who makes false allegations of unethical and improper practices or about wrongful conduct of the subject to the Ethics Committee or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

11. **SECRECY / CONFIDENTIALITY**

- 11.1. The Whistle Blower; Members of the Ethics Committee; Members of the Audit Committee; the Subject and everybody involved in the process shall:
 - 11.1.1 Maintain confidentiality of all matters under this Policy
 - 11.1.2 Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
 - 11.1.3 Not keep the papers unattended anywhere at any time
 - 11.1.4 Keep the electronic mails / files under password.

12. **PROTECTION**

- 12.1 No unfair treatment will be meted out to a whistle blower by virtue of his/ her having reported a Protected Disclosure under this policy. 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 duties / functions including making further Protected Disclosure.
- 12.2 The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings; the Company will arrange for the Whistle Blower to receive advice about the procedure etc.
- 12.3 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the Management.

- 12.4 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure.
- 12.5 The identity of the Whistleblower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.
- 12.6 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 12.7 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the rules, procedures and policies of the Company.
- 12.8 This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.
13. **ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**
- 13.1. The Whistle Blower shall have right to access the Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.
14. **COMMUNICATION**
- 14.1. The Mechanism cannot be effective unless it is properly communicated to the employees.
- 14.2 The employees shall be informed through by circulation through electronic mails; publishing in notice board and uploading on the web site of the Company.
15. **RETENTION OF DOCUMENTS**
- 15.1. All Protected disclosures documented along with the results of investigation relating thereto, shall be retained by the Ethics Committee for a period of 5 (five) years or such other period as specified by any other law in force, whichever is

more.

16. **ADMINISTRATION AND REVIEW OF THE POLICY**

16.1. The Ethics Committee shall be responsible for the administration, interpretation, application and review of this policy. The Board shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

17. **ANNUAL AFFIRMATION**

17.1. The Ethics Committee / the Chairman of the Audit Committee shall annually affirm to the Board that it has provided protection to the Whistle Blower from unfair adverse personal action.