

VIGIL MECHANISM / WHISTLE BLOWER POLICY

1. PREAMBLE

The Companies Act, 2013 mandates every listed company and such other class of companies, as prescribed under the 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 to establish a vigil mechanism for directors and employees to report their genuine concerns or grievances in such manner as may be prescribed.

The Company has adopted a Code of Conduct for Directors, Key Managerial Personnel and Senior Management Personnel ("the Code"), which lays down the principles and standards that should govern the actions of the Company, its directors and employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company.

The vigil mechanism under sub-section (9) of the Section 177 of the Act, shall provide for adequate safeguards of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The details of establishment of mechanism shall be disclosed by publishing on the notice board and the website of the Company, and in the Board's report.

Considering the applicability of Section 177(9) of the Companies Act, 2013 and rule made there under the Company has formulated this Vigil Mechanism in compliance thereto.

2. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code.

"Act" means the Companies Act, 2013 read with relevant rules; as amended from time to time;

"Alleged wrongful conduct" shall mean violation of applicable laws to the Company, Infringement of Company's rules, misappropriation of monies, and substantial and specific danger to public health and safety non-adherence to the Code or abuse of authority.

"Audit Committee" means a Committee constituted by the Board of Directors of the Company in accordance with the provisions the Companies Act, 2013 and responsible for ensuring investigation.

"Board" means the Board of Directors of the Company.

"Code" means The Code of Conduct for Directors and Senior Management Personnel adopted by the Company.

"Company" means Lakeshore Hospital And Research Centre Limited and all its offices/divisions, if any.

"Employee" mean all the past and present employees of Company.

“Disciplinary Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

“Directors” means a member of the Board of Directors of the Company including directors of its subsidiaries and associates.

“Fraud” in relation to affairs of a company or anybody corporate, 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**.

“Investigation 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.

“Policy” means The Vigil Mechanism/Whistle Blower Policy, .

“Protected Disclosure” means a concern raised or communication made by an employee/director or group of employees/directors of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity falling under the title “COVERAGE OF THE POLICY” or Alleged wrongful conduct with respect to the Company.

“Protected Disclosure Form” is a form by which a submission is made to the Company regarding this Policy and is available at the Company’s website.

“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.

“Vigilance Officer” means an officer appointed 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 result thereof.

“Whistle Blower” is an employee/director or group of employees/director(s) who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

“Wrongful Gain” means the gain by unlawful means of property to which the person gaining is not legally entitled.

“Wrongful Loss” means the loss by unlawful means of property to which the person losing is legally entitled.

3. POLICY OBJECTIVES

A Vigil mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy there by to eliminate and help to prevent malpractices, to investigate and resolve complaints.

The mechanism provides for adequate safeguards against victimization of employees and Directorsto avail of the mechanism and also provide for direct access to the Chairman/ Managing Director/ Chairman of the Audit Committee in exceptional cases. It also actively discouraging frivolous and insubstantial complaints

This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

4. SCOPE

The Policy is an extension of the Code of Conduct for Directors & Senior Management / Employees

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 Willful Negligence causing substantial and specific danger to health, safety and environment
7. Manipulation of company data/records
8. Pilferation of confidential/propriety information
9. Gross Wastage/misappropriation of Company funds/assets
10. The Policy covers malpractices and events which have taken place/ suspected to take place involving abuse of authority and breach of contract
11. Negligence causing substantial and specific danger to public health and safety
12. Criminal offence
13. Wastage/misappropriation of company funds/assets
14. Breach of employee Code of Conduct or Rules
15. The Policy is a channel to reinforce a robust implementation of the Company's Code.

Through this Policy, the Company seeks to provide a procedure for all the employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting. The Policy should not be used as a route for raising malicious or unfounded allegations against colleagues.

5. ELIGIBILITY

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

6. DISQUALIFICATIONS

- ❖ 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, or reported otherwise than in good faith shall be liable to be prosecuted.

7. THE GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

- ❖ Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;
- ❖ Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
- ❖ Ensure complete confidentiality;
- ❖ Not attempt to conceal evidence of the Protected Disclosure;
- ❖ Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made; and
- ❖ Provide an opportunity of being heard to the persons involved especially to the Subject.

8. PROCEDURE

- ❖ All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written and should be addressed to the Chairman of the Audit Committee of the Company for investigation.

- ❖ The Protected Disclosure should be submitted under a covering letter signed by the complainant 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 subject “Protected disclosure under the Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.
- ❖ Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- ❖ All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.
- ❖ The contact details of the Vigilance Officer are as under:-

Name and Address:

Mr S K Abdulla
Chief Executive Officer
Lakeshore Hospital and Research Centre Ltd
Kochi – 682 040

- ❖ 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 / 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 Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance Officer / Chairman of the Audit Committee/ CEO/ Chairman or any other officer authorized in this behalf, as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

9. INVESTIGATION

- ❖ All Protected Disclosures under this policy will be recorded and thoroughly investigated by the Chairman of the Audit Committee of the Company, who will carry out an investigation himself/herself or by involving any other Officer of the Company/ Committee constituted for the same /an outside agency before referring the matter to the Audit Committee of the Company. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should rescue himself/herself and the other members of the Audit Committee should deal with the matter on hand.
- ❖ The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

- ❖ The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.
- ❖ The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.
- ❖ The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- ❖ Any member of the Audit Committee 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 AND REPORTING

- ❖ If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- ❖ Any disciplinary or corrective action initiated against the Subject 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.
- ❖ A quarterly/ half yearly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.
- ❖ A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

11. CONFIDENTIALITY/ SECRETY

The complainant /The Whistle Blower, the Subject, the Vigilance Officer, Members of Audit Committee and everyone involved in the process shall:

- ❖ maintain complete and strict confidentiality/secretcy of the matter;
- ❖ not discuss the matter with any other person other than one required for enquiry/investigation into the matter;
- ❖ discuss only to the extent required for the purpose of completing the process and investigations;
- ❖ not keep the papers unattended anywhere at any time; and
- ❖ keep the electronic mails/files under password.

If anyone is found not complying with the above, he/she shall be held liable for such disciplinary and punitive action as is considered fit.

12. PROTECTION

- ❖ 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 Blower. Complete protection will, therefore, be given to Whistle Blower against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, discrimination, any type of harassment, biased behavior or the 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.
- ❖ As a matter of general deterrence, the Company shall publicly inform employees of the penalties imposed and discipline of any person from misconduct arising from retaliation.
- ❖ Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.
- ❖ The Company will take steps to remove difficulties if any, 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.
- ❖ The identity of the Whistle Blower shall be kept confidential.
- ❖ Any other Employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the Whistle Blower.
- ❖ The independent directors shall ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;

13. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE

The complainant / Whistle Blower shall have right to access 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

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

15. RETENTION OF DOCUMENTS

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 8 (Eight) years or such other period as specified by any other law in force, whichever is more.

16. ADMINISTRATION AND REVIEW OF THE POLICY

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

17. 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.

Protected Disclosure Form

Name of the Whistle Blower	
Designation	
Employee ID (if any)	
Department	
Date of Joining	
Contact Number	
E-mail	
Correspondence address	

I hereby declare, that the accompanying statements and supporting documentation (if any) is true and correct, to the best of my knowledge and in complete good faith.

Date:

Place:

Signature of the Whistle Blower