



## Whistle Blower Policy

(as originally approved at the Board Meeting held on November 8, 2013, and then modified by the Board at their meeting held on February 13, 2023)

### INTRODUCTION AND OBJECTIVE

Neuland Laboratories Limited (“**Neuland**” or “**Company**”) is committed to conduct its business operations in a fair and transparent manner by adhering to the highest standards of professionalism, honesty, integrity, ethical, moral and legal conduct. The Code of Ethical Conduct (*defined in Clause 3 of this Policy*) has been put in place towards meeting the above objective. Any violation of the Code of Ethical Conduct is a matter of serious concern for the Company.

Section 177 of the Companies Act, 2013, (the “Companies Act”) read with Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulation”) provides for a mandatory requirement for all listed companies to formulate a whistleblower policy for Directors and employees for facilitating the reporting of unethical behavior, actual or suspected fraud or a violation of a company’s code of conduct or ethics policy.

This Whistle Blower Policy (“**Policy**”) has therefore been put in place to provide a mechanism for Directors and employees of the Company and its subsidiaries to report instances of unethical behavior, anti-competitive practices, insider trading, actual or suspected fraud, or violation of the Code of Ethical Conduct in good faith, while safeguarding a Whistle Blower (*defined in Clause 3 of this Policy*) from reprisals or victimization or unfair or biased employment practices. The Directors and employees of the Company and its subsidiaries are encouraged and empowered to identify and report any unethical behavior, actual or suspected fraud or violations of the Code of Ethical Conduct. The Code of Ethical Conduct is also available on the intranet of the Company, Basecamp.

This Policy echoes the spirit of the Code of Ethical Conduct, which lays down the principles that sets out the ethical standards that are to be followed by the Directors

and employees of the Company and its subsidiaries while dealing with the affairs and business of the Company or its subsidiaries and its objective is to ensure that the Company's operations are conducted in a fair, transparent and ethical manner.

The Directors and employees should bear in mind that it is not a mechanism to be used for personal vendetta or personal grievances and it should not be used in place of the Company's grievance and disciplinary procedures which are already in place. Also, this Policy does not release the employees from their duty of confidentiality in the course of their work.

For further clarifications with respect to this Policy, please contact *the Company Secretary* at [ir@neulandlabs.com](mailto:ir@neulandlabs.com).

### **WHISTLEBLOWER POLICY**

#### **1. Definitions:**

The definitions of some of the key terms used in this Policy are given below. Capitalized terms used but not defined in this Policy shall have the meaning ascribed to it in the Code of Ethical Conduct.

**"Audit Committee"** means the Audit Committee constituted in accordance with the Companies Act and SEBI Listing Regulations.

**"Code of Ethical Conduct"** refers to the Company Code of Ethical Conduct as available on the Company's intra-net or on the Company's website.

**"Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence any Reportable Matter.

**"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 director appointed on the Board of the Company.

**"Employee" or "employee"** means every employee of the Company (whether working in India or abroad), or its subsidiaries, including the Directors who are in the employment of the Company and its subsidiaries.

**"Ethics Committee"** means the committee constituted by the Company for the purpose of investigation of disclosures made by a Whistle Blower. The members of the Committee shall consist of the Chief Human Resources Officer, Head of Sales and the Company Secretary and any other person(s) nominated by the Chairperson of the Audit Committee, as may be required, if the Subject is any of the members of the Ethics Committee.

**"Reportable Matters"** means any unethical behavior, actual or suspected fraud or violations of the Code of Ethical Conduct.

**"Stakeholder"** means all investors, Employees, Directors, contractors, customers, consultants, suppliers and vendors of the Company and its subsidiaries.

**"Subject"** means a person against or in relation to whom a Disclosure has been made or evidence gathered during the course of an investigation.

**"Whistle Blower"** means Directors, employees or any other Stakeholder making a Disclosure under this Policy.

**"Whistle Blower Policy" or "this Policy"** means this whistle blower policy as may be amended, abrogated, modified, rescinded / reinstated by the Company.

## **2. Procedure for making a Disclosure:**

- 2.1 Any Reportable Matter with respect to which a Whistle Blower seeks to make a Disclosure shall be made in accordance with Clause 2 of this Policy.
- 2.2 A Disclosure should be made at the earliest, preferably within 30 (thirty) days from the date of knowledge of the Whistle Blower. All Disclosures should:
  - (a) be in either English, Hindi or Telugu;
  - (b) written legibly or in typed form;
  - (c) clearly state the details of the Reportable Matter;
  - (d) to the extent available, provide factual evidence for corroborating the Reportable Matter. In this regard, it may be noted that a Disclosure should not be speculative or of a nature which indicates a conclusion and it should contain specific information to allow for proper assessment seriousness of the concern or urgency of a preliminary investigative procedure. An allegation of wrongdoing will not be sustained unless there is sufficient evidence in support of the allegation;

- 2.3 Any Disclosure on the basis of hearsay evidence of which the Whistle Blower does not have any direct knowledge or information, may be rejected, unless there is factual evidence provided to corroborate such a Disclosure.
- 2.4 Any Disclosure made without adequate evidence with respect to a Reportable Matter and which is for personal vendetta or personal grievances, may also be rejected.
- 2.5 Whistle Blowers are requested to make the Disclosure in a clear and simple manner.
- 2.6 All Disclosures are to be submitted to the Company Secretary and Compliance Officer of the Company either by sending the same in a sealed envelope marked "Private and Confidential" to the Company Secretary and Compliance Officer at the Registered Office of the Company or by email to [whistleblower@neulandlabs.com](mailto:whistleblower@neulandlabs.com). Whistle Blower could also send the same to the Chairperson of the Audit Committee either by sending the same in a sealed envelope marked "Private and Confidential" to the Company Secretary and Compliance Officer at the Registered Office of the Company or by email to [whistleblower.neulandlabs@gmail.com](mailto:whistleblower.neulandlabs@gmail.com). The mail id is only for the purpose of reporting whistle blower complaints.
- 2.7 If any Employee receives any Disclosure from a Whistle Blower, such Employee should immediately forward the same to Company Secretary and Compliance Officer or to the Chairperson of the Audit Committee in the manner set forth in Clause 2.6 above.
- 2.8 It is advisable that the Whistle Blower disclose his/her identity when making a Disclosure. Should the Whistle Blower chose to disclose his/her identity, the same will be treated with confidentiality and shall be disclosed only for the purpose of facilitation of the investigation process. However, it is the discretion of the Whistle Blower to conclude whether or not to make the Disclosure anonymously. A Disclosure made anonymously will also be suitably investigated, subject to the information provided being sufficient to initiate an investigation.
- 2.9 The Whistle Blower's role is that of reporting a Disclosure with reliable information and they are not expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in the case reported. Whistle Blowers will not have a

right to participate in any investigative activities other than as requested by the Audit Committee or the Ethics Committee. If so required, the Whistle Blower is expected to co-operate with the Audit Committee and / or the Ethics Committee in the course of any investigation with respect to any Disclosure made by the Whistle Blower.

### **3. Investigation Process:**

- 3.1 All Disclosures reported under this Policy will be investigated by the Ethics Committee subject to being found appropriate via a preliminary investigation, whether by the Ethics Committee or by any person nominated by it. However, if there is inadequate information provided in the Disclosure or the facts are unclear and after preliminary enquiries, the Ethics Committee is unable to determine the Reportable Matter or if it is of the view that the Disclosure has no basis or the subject matter of the Disclosure is not a matter to be dealt with in terms of this Policy, the Ethics Committee may dismiss the same.
- 3.2 The Ethics Committee's decision to conduct an investigation will not be construed as accusation and may only be considered as a fact-finding process. The process of investigation would be neutral in nature till the time that the outcome of the investigation is known.
- 3.3 The identity of the parties concerned will be kept confidential to the extent possible given the legitimate needs of law and the investigation. The parties concerned will normally be informed of the allegations at the outset of a formal investigation and will have opportunities for providing inputs during the investigation.
- 3.4 Pursuant to the preliminary enquiry, if the Ethics Committee is of the view that the Disclosure merits further investigation, it will (either directly or through persons nominated by it) conduct the same with the objective of fact-finding and analysis. The Ethics Committee may consider involving technical or other resources as necessary to aid the investigation. The Ethics Committee may also engage independent investigators. The authority and access rights of the investigators for acting within the scope and course of the investigation will be determined by the Ethics Committee. The Ethics Committee may obtain inputs from other relevant persons and review the evidence wherever necessary.
- 3.5 The Ethics Committee shall be entitled to define the procedure that it will adopt for conducting any investigation. However, the Ethics Committee will make efforts to ensure that there is no retaliation against the witnesses or the Whistle Blower making the Disclosure.

- 3.6 All employees who are required to be a part of the investigation process are expected to co-operate with the Ethics Committee during investigation and they shall not interfere with the investigation nor should they influence, coach, threaten or intimidate any witnesses or the Whistle Blower making the Disclosure. All Employees who are a part of an investigation process should ensure that evidence is not withheld, destroyed or tampered with.
- 3.7 The Ethics Committee will endeavour to complete its investigation within a period of 4 (four) weeks of the receipt of the Disclosure and will prepare an enquiry report along with the findings. The Subject as well as the Whistle Blower will be informed of the outcome of the investigation.
- 3.8 All decisions or outcomes of the Ethics Committee with respect to a Disclosure are to be recorded in writing and shall provide reasons as to why such decision was taken by the Ethics Committee.
- 3.9 The Ethics Committee shall require that the persons conducting any investigation (a) conduct the investigation in a fair and unbiased manner; (b) ensure complete fact-finding; and (c) maintain strict confidentiality, especially of the Subject and the Whistle Blower.
- 3.10 The Ethics Committee will provide to the Chairperson of the Audit Committee, a report on quarterly basis, stating Disclosures received, the findings and the decision, in such format as specified by the Audit Committee.

#### **4. Protection of Whistle Blower:**

- 4.1 The Whistle Blower shall not be subject to any unfair treatment on account of any genuine Disclosure made under this Policy in good faith, provided that the Whistle Blower has provided his/her identity at the time of making such Disclosure, including retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion etc.
- 4.2 The identity of the Whistle Blower shall be kept confidential to the extent possible and as permitted under law. Any other employee assisting in the said investigation including witnesses shall also be protected to the same extent as the Whistle Blower.

- 4.3 In the event of any violation of this Clause 4, the Whistle Blower is requested to bring to the notice of the Ethics Committee or the Chairperson of the Audit Committee of such violation and the Ethics Committee shall take all actions as may be required to ensure that there is no violation of this Clause 4 and that no unfair treatment is meted out to the Whistle Blower.
- 4.4 Any person who victimizes or subjects any Whistle Blower to unfair treatment in violation of this Clause 4 on account of the Whistle Blower having made a Disclosure shall be subject to disciplinary action, which may include termination of services or legal action.
- 4.5 It is clarified that the protection to a Whistle Blower under this Clause 4 is provided only in the event (a) the Disclosure is made in good faith; (b) the Disclosure is not made for personal gain or to settle personal grievances or for any personal vendetta; and (c) the Whistle Blower has justifiable reasons to believe that the allegations made against the Subject are true.

## **5. Decision:**

Pursuant to completion of the investigation process, if the Ethics Committee is of the view that there has been unethical behavior, fraud, or a violation of the Code of Ethical Conduct, the Ethics Committee shall in its report suggest the disciplinary or corrective action (including but not limited to warning, fine, suspension or dismissal, depending on the severity of the matter) to be taken against the Subject as the Ethics Committee deems fit. However, any such disciplinary or corrective action is to be as per the disciplinary procedures of the Company and can also include legal action if necessary.

## **6. Retention of documents:**

All Disclosures will be retained along with the results of investigation by the Company for a period of 5 (five) years. However, the Company may, at its discretion maintain the Disclosures for such longer period as it deems fit.

## **7. Guiding Principles**

In order to facilitate the implementation of this Policy, the Company shall ensure that:

- (a) The Whistle Blower is not victimized as a result of he/she making the Disclosure, provided that the Whistle Blower has provided his/her identity at the time of making the Disclosure;

- (b) Any victimization of the Whistle Blower or any witnesses is considered seriously and acted upon in accordance with this Policy;
- (c) Complete confidentiality with respect to the investigation process and the identities of the parties is maintained, save and except to the extent the same is required to be disclosed for the purpose of the investigation or for compliance with applicable law; and
- (d) It shall take disciplinary action against any person who is in violation of this Policy.

#### **8. Display/Awareness of the Policy:**

A Whistle Blower Policy cannot be effective unless it is properly communicated to Directors, employees and stakeholders. The policy will be displayed on the website of the Company at [www.neulandlabs.com](http://www.neulandlabs.com) and will also be available on the intranet of the Company, Basecamp. Periodical email communication shall be sent to the directors and employees. Posters shall be placed across Corporate office and Company units.

#### **9. Review and Amendment:**

The Board of Directors of the Company reserves the right to amend, abrogate, modify, rescind / reinstate the entire Policy or any part of it at any time. Any such amendment or modification shall come into effect on and from the date the same is approved by the Board of Directors of the Company. Further, any statutory amendments that may affect this Policy, i.e., SEBI Listing Regulations, Companies Act and / or any other applicable laws / regulations, shall be deemed to be included in the Policy and the Company shall be governed by it.

#### **10. Misuse of the Policy**

Notwithstanding anything contained in this Policy, if any Whistle Blower knowingly makes false or untrue allegations of any unethical behavior, fraud, or a violation of the Code of Ethical Conduct, the Company shall be entitled to take disciplinary action against such Whistle Blower, including but not limited to termination of the employment of such Whistle Blower or initiation of legal action against such Whistle Blower. It is clarified that where an Whistle Blower makes a Disclosure (a) in good faith; and (b) the Disclosure is not made for personal gain or to settle personal grievances of for any personal vendetta; and (c) the Whistle Blower has justifiable reasons to believe that the allegations made against the Subject are true, the Whistle Blower shall not be subject to any disciplinary action even if the allegation made by the Whistle Blower is not confirmed by the Ethics Committee.