

NATIONAL TRUST HOUSING FINANCE LIMITED

WHISTLE BLOWER POLICY

Preamble

Whistle Blowers Protection Act, 2011 is an Act of the Parliament of India to establish a mechanism to receive complaints relating to disclosure on any allegation of corruption or willful misuse of power or willful misuse of discretion against any public servant and to inquire or cause an inquiry into such disclosure and to provide adequate safeguards against victimization of the person making such complaint and for matters connected therewith and incidental thereto.

Section 177 read with Rule 7 of The Companies (Meetings of Board and its Powers), 2014 and revised Clause 49 of the Listing Agreement, inter-alia, provides, a mandatory requirement, for all listed companies to establish a mechanism called “Vigil Mechanism (Whistle Blower Policy)” for Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company’s code of conduct or ethics policy.

NATRUST provides a platform for employees to disclose information internally, which they believe show serious malpractice, impropriety, abuse or wrong doing within the company without fear of reprisal or victimization.

Policy Objectives

The basic objectives of this Policy are:

- to provide a Vigil Mechanism and an opportunity for directors and employees to blow whistle against and to report concerns about unethical behaviour, actual or suspected fraud or violation of the company’s code of conduct or ethics policy.
- to provide an opportunity to the directors or employees and give them an avenue to raise concerns and to access in good faith the Audit Committee.
- Health and safety risks, including risks to the public as well as other employees (e.g. faulty electrical equipment)
- Fraud and corruption (e.g. to solicit or receive any gift/reward as a bribe)
- Any instance of failure to comply with legal or statutory obligation either for and on behalf of the Group or in any personal capacity in the course of discharging duties of the Group
- Any instance of any kind of financial malpractice
- Abuse of power (e.g. sully/harassment)
- Any other unethical or improper conduct.
- This Policy will not cover issues relating to employment related grievances including promotions and transfers etc.

Guiding Principles

- Ensure that this Policy is adhered and to assure that the concern will be acted upon seriously, the Company will:
- Ensure that the whistleblower 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.
- Provide an opportunity of being heard to the persons involved especially to the Subject.

Disqualifications

- While it will be ensured that genuine whistleblowers 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 whistleblower knowing it to be false or bogus or with a mala fide intention or without sufficient evidence to make the allegation.
- Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to be prosecuted under Company's Code of Conduct.
- Common anonymous emails to either or all Senior Executives / Directors / Employees without any proper evidence and false or bogus allegations will be severely dealt with. The decision of the chairman will be final and binding.

Whistle Blower Committee

“Whistle Blower Committee” means Committee comprising of Senior Executives of the Company and appointed to receive Protected Disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof. The Committee has been constituted and the following are its members:

1. Managing Director
2. Chief Financial Officer
3. Asst. Vice President - Legal

Receipt And Disposal Of Protected Disclosures

- All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same but not later than 30 consecutive days after becoming aware of the same so as to ensure a clear understanding of the issues raised. In the exceptional case depending upon the seriousness of the case, the Chairman of the committee can accept a complaint even after 30 days.
- The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as **“Protected disclosure under the Whistle Blower Policy”**. Alternatively, the same can also be sent through email with the subject **“Protected disclosure under the Whistle Blower Policy”**. Email to be sent only to designated addresses as finalised by the Committee.
- The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Whistle Blower Committee shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- All Protected Disclosures should be addressed to the Whistle Blower Committee of the Company.
- Any Protected Disclosure against any member of the Whistle Blower Committee and the Protected Disclosure against any of the Directors of the Company should be addressed to the Chairman of the Audit Committee.
- On receipt of the protected disclosure, the Whistle Blower Committee shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not.
- If initial enquiries by the Whistle Blower Committee indicate that the concern has no basis, or it is not a matter to be investigation under this Policy, it may be dismissed at that stage and the decision will be documented.
- The Whistle Blower Committee, if deems fit, may call for further information or particulars from the complainant.

Anonymous Disclosure

This Policy has adequate safeguards to ensure that no complainant is victimized on account of usage of this Policy. Accordingly, this Policy encourages Whistle Blowers to mention their names while making the Disclosure.

Concerns expressed anonymously / pseudonymously will not ordinarily be acted upon. However, where an anonymous Disclosure contains references to verifiable facts and figures, such cases will be taken up for investigation.

Frivolous, Fictitious and Malafide Disclosures

If a Whistle Blower makes an allegation, which he / she knows or has reason to believe is untrue, or with an intent to defame or cause inconvenience, appropriate action will be taken against such Whistle Blower.

In case a person habitually makes false / frivolous complaints, appropriate disciplinary action will be initiated against such person. Further, the subsequent complaints / disclosures made by him/her may not be considered.

Assurances under this Policy

1. To the Whistle Blower

- a. All possible precautions will be taken to maintain the confidentiality of the identity of the Whistle Blower, barring where such disclosure is required strictly for the purpose of law or to facilitate the investigation process.
- b. The Company will not tolerate any harassment or victimization (including informal pressures) against a Whistle Blower and will take appropriate action to protect a Whistle Blower who has raised a Concern in good faith.
- c. The Company will provide adequate and timely support and protection to Whistle Blowers in the event she / he faces any civil or criminal action in consequence of a bona fide Concern raised under this Policy.
- d. If a Whistle Blower believes that she/he has been victimized for raising a Concern under this Policy, she / he may file a written complaint to the Ombudsperson requesting an appropriate remedy. The Ombudsperson shall investigate such complaint and take such actions as it may deem fit to ensure that the complainant is not victimized for having raised a Concern under this Policy.

2. On whom the Investigation is made

All possible precautions will be taken to maintain the confidentiality of the person on whom an enquiry is carried out except as may be required by law or to facilitate the investigation process.

Investigation

1. Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Whistle Blower Committee or by such other person as may be appointed by the Whistle Blower Committee. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings will be made.
2. The Whistle Blower Committee shall:
 - i. Make a detailed written record of the Protected Disclosure. The record will include:
 - a. Facts of the matter;
 - b. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - c. Whether any Protected Disclosure was raised previously against the same Subject;
 - d. The financial/other loss which has been incurred/would have been incurred by the Company;
 - e. Findings of the Whistle Blower Committee /investigation person;
 - f. The recommendations of the Whistle Blower Committee on disciplinary/other action/(s);
 - ii. The Whistle Blower Committee shall finalise and submit the report to the Chairman of the Audit Committee, within 30 days;
3. 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.
4. Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
5. Subject(s) have a right to consult with a person or persons of their choice, other than the members of the Whistle Blower Committee / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
6. 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).
7. 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.
8. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
9. Any member of the Whistle Blower Committee or 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.

Decision and Reporting

1. On submission of report, the Chairman of the Audit Committee shall discuss the matter with The Whistle Blower Committee, they shall either -
 - i. In case the Protected Disclosure is proved, accept the findings of The Whistle Blower Committee and make recommendations to the management to take such Disciplinary Action as he / she may think fit and take preventive measures to avoid reoccurrence of the matter;
 - ii. In case the Protected Disclosure is not proved, extinguish the matter; or
 - iii. Depending upon the seriousness of the matter, Chairman of the Audit Committee may refer the matter to the Board of Directors with proposed disciplinary action/counter measures. The Board of Directors, if thinks fit, may further refer the matter to the Audit Committee for necessary action with its proposal.
2. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Whistle Blower Committee or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

Protection

1. No unfair treatment will be meted out to a whistleblower 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 whistleblower. Complete protection will, therefore, be given to whistleblower against any unfair practice.
2. The identity of the whistleblower shall be kept confidential to the extent possible and permitted under law.
3. Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the whistleblower.

Access to Chairman of the Audit Committee

The 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.

Secrecy/Confidentiality

The Whistle Blower, the Subject, the Whistle Blower Committee and every one involved in the process shall:

- a. Maintain complete and strict confidentiality/secretcy of the matter and proceedings;
- b. Not discuss the matter with any person other than one required for enquiry/investigation into the matter;
- c. Discuss only to the extent required for the purpose of completing the process and investigations;
- d. Not keep the papers unattended anywhere at any time;
- e. 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.

Reporting

A quarterly report with number of complaints received under this Policy and their outcome shall be placed before the Audit Committee by The Managing Director.

Notification

A Whistle Blower Policy cannot be effective unless it is properly communicated to all the employees.

The HRD will ensure notification and communication of the existence and contents of this policy to all the existing and new employees.

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 3 (three) years or such other period as specified by any other law in force, whichever is more.

Review & Amendment

This Policy may at any time, and without any prior notice to any person whatsoever, be changed or modified or rescinded or abrogated by the Business Chairman (Institution Building & Governance) with due approval of the Board of Directors and the Audit Committee.