

ROCHE DIAGNOSTICS INDIA PRIVATE LIMITED

VIGIL MECHANISM POLICY

[Prepared pursuant to the provisions of Section 177 (9) of the Companies Act, 2013
and
Rule 7 of the Companies (Meeting of Board & its Power) Rules, 2014]

(as adopted by the Board of Directors w.e.f 15th March, 2016)

PREFACE

The Roche Diagnostics India Private Limited ("Company") believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the Code of Conduct ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined.

Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates the following classes of companies to constitute a vigil mechanism –

- Every listed company;
- Every other company which accepts deposits from the public;
- Every Company which has borrowed money from banks and public financial institutions in excess of Rs. 50 Crores.

OBJECTIVES

The objective is to provide a framework to promote responsible and secure Vigil Mechanism, in good faith. The Vigil Mechanism will play a very important role as an internal control measure and will help the Company to identify and take appropriate action against any fraud/suspected fraud/misappropriation/abuse of position or any other unethical happening.

DEFINITIONS

The definitions of some of the key terms used in this Policy are given below.

"Nominated Person" means the Managing Director of the Company i.e. a person nominated to play a role of audit committee, where no audit committee is required to be constituted.

"Employee" means every employee of the Company (whether working in India or abroad), including the Directors and Key Managerial Personnel in the employment of the Company.

"Code" means the Code of Conduct / Vigil Mechanism Policy.

"Investigators" mean a *"Nominated Person"* and include the auditors of the Company and the police.

"Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

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

"Whistleblower" means an employee or director making a Protected Disclosure under this Policy.

"Registered Office" means Registered Office of the Company situated at 501B, Silver Utopia, Cardinal Gracious Road, Chakala, Andheri East, Mumbai, 400069.

SCOPE AND COVERAGE OF VIGIL MECHANISM

This Vigil Mechanism is applicable for all Employees and Directors of the Company irrespective of their positions and broadly, the following areas are covered:

The inclusive list is as under -

- a. Financial irregularities, including fraud or suspected fraud.
- b. Wastage or misappropriation of Company funds or assets
- c. Abuse of authority
- d. Misbehavior with stakeholders such as staff, lenders, project members & their family members, etc.
- e. Manipulation of company data/records/register
- f. Accused or convicted in any criminal offence
- g. Non-compliance with / violation of organization rules & regulations, policies or statutory requirements
- h. Any other unethical, dishonest or biased happenings.

REPORTING CONCERNS

Every employee of a Company shall promptly report to the "*Nominated Person*" when she / he become aware of any actual or possible violation of the Code or an event of misconduct, or act not in the company's interest. Any employee can choose to make a protected disclosure under the whistleblower policy of the Company, by reporting to the "*Nominated Person*". Such a protected disclosure shall be forwarded, when there is reasonable evidence to conclude that a violation is possible or has taken place, with a covering letter, which may bear the identity of the whistleblower. The Company shall ensure protection to the whistleblower and any attempts to intimidate him/her would be treated as a violation of the Code."

PROCEDURE FOR REPORTING

The Employees and Directors are required to promptly report any improper practice they become aware of to ensure that damage/ potential damage is minimized. It is highly recommended that any reporting shall be with proper proof, and to do this, they are encouraged to collect and submit all possible evidences within their ability but without violating any procedures. However, if a staff does not have proper proof or is totally not in a position to get the required proof, but strongly believes that some wrongful activity is being done by any person in the company or being done pertaining to a Company matter, then that reporting also can be done.

In case there are reasons for the person to believe that the '*nominated person*' is also involved in the suspected violation or that the said '*nominated person*' is unable to take / not taking needed corrective action, the reporting can be done to the next higher authority in the organization and so on. Copy of all complaints must also be sent to compliance officer of the company, for appropriate monitoring and further reporting.

The Employee or Director who is making the complaint or who is having a concern/ doubt must put their name and full identification information to allegations as follow-up questions and investigation will not be possible unless the source of the information is identified. Oral complaints/ concerns will also be investigated depending upon the nature of such complaint, severity and circumstances, but written complaints shall usually become necessary. Concerns expressed anonymously will not be usually investigated. However, subject to the seriousness of the issue raised, the same can be subjected to investigation, if felt appropriate.

The Employees or Directors are also encouraged to lodge the complaint or concern against any employee or Director of the organization which are shared with them by the project members, lenders, public, etc. with required details such as the source of complaint or concern and proof, if any. When complaints received are investigated, if initial enquiries indicate that the complaint or concern has no basis, it will be dismissed at initial stage and the decision will be documented accordingly. Where initial enquiries indicate that further investigation is necessary, this will be carried out by the Investigator if required with the help of other staff. A written report of the findings and the suggested course of action would be submitted to the "*Nominated Person*", with a copy to compliance officer. In case the

investigation is required to be conducted against "*Nominated Person*", the employees shall do the same and place the same before the higher authority to the said "*Nominated Person*", for appropriate action.

PROTECTION TO STAFF OR DIRECTOR (WHISTLE BLOWER) REPORTING THE SUSPECTED VIOLATION.

The identity of the whistle blower will be kept confidential. Any other Employee assisting in the said enquiry or furnishing evidence shall also be protected on same lines. However, with the consent of the reporting (whistle blowing) and assisting staff or Director, the identity of such persons may be disclosed during the enquiry process to establish the facts behind the complaint or concern. No one shall harass or otherwise victimize any whistle blower for the act of whistle blowing due to a genuine concern. If faced with any difficulties or harassment during investigation or after investigation, the whistle blower should communicate to the "*Nominated Person*", about their difficulties and the persons causing such difficulties. The Company will initiate strict actions against the employees or Directors who indulge in discrimination, harassment, victimization or any other unfair practice against Whistleblower, if proven.

SECRECY/CONFIDENTIALITY

Everyone involved in the process shall maintain complete confidentiality of the matter and discuss only to the extent or with the persons required for the purpose of completing the investigation. However, the lessons learnt during the investigation can be shared with others, without naming the persons involved, to bring more awareness and for the overall benefit of the Company.

INTIMATION TO THE COMPLIANCE OFFICER

Any Employee or Director who is making a complaint under the Vigil Mechanism should simultaneously send a copy of the complaint to the "Compliance Officer" at the above mentioned Registered Office address of the Company. Also, once the complaint is resolved, the information with regard to the same shall be submitted by the concerned person who took a final decision on the matter, to the "Compliance officer".

A quarterly report with number of complaints received under the Vigil Mechanism and their outcome shall be placed by the Compliance Officer of the Company before the "*Nominated Person*" and the said report be reviewed.

ABUSE OF THE VIGIL MECHANISM

The employees or Directors shall desist from making knowingly false/ malicious allegations or complaints. Malicious allegations will attract disciplinary action.

REVIEW OF FUNCTIONING BY "*NOMINATED PERSON*",

The "*Nominated Person*", shall be responsible to review periodically the efficient and effective functioning and implementation of the vigil mechanism. The "*Nominated Person*", shall submit a report to the management on a regular basis about all Protected Disclosures referred to him since the last report together with the Results of Investigations, if any.

DISPLAY OF INFORMATION WITH REGARD TO VIGIL MECHANISM:

The details of establishment of vigil mechanism in the Company shall be disseminated amongst all staff & Directors, and shall also be disclosed in the Company's website, and also should be covered in the annual Board of Directors' report to the general body of the Company.

DECISION

If an investigation leads the "*Nominated Person*", to conclude that an improper or unethical act has been committed, the "*Nominated Person*", shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that 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.

'HANDLE NON-COMPLIANCE CASES' POLICY

Any complaint filed by the whistle blowers shall be entertained and resolved as per the detailed procedure laid down in the Company's policy named as 'Handle Non-Compliance Cases'.

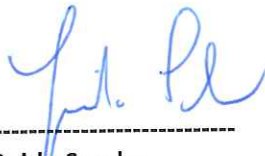
RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of eight years.

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 employees and directors unless the same is notified to the employees and directors in writing.

For Roche Diagnostics India Private Limited



Lars Guido Sander
Managing Director