

ASIAN HOTELS (NORTH) LIMITED

WHISTLE BLOWER POLICY (Amended w.e.f. 1st April, 2019)

Preface

The Company is committed to conduct its business in a fair and transparent manner by adhering to the highest standards of professionalism, honesty, integrity and ethical behavior.

Towards this end, the Company has framed and adopted a code of conduct, which lays down the principles and standards that should be followed while pursuing the business of the Company by its directors and senior management personnel. Needless to say, it is of paramount importance that all concerned should follow the said Code of Conduct at all times. Any violation of the said Code of Conduct or any instance of actual or suspected fraud or unethical behavior would be a matter of serious concern for the Company. While the directors and employees of the Company are encouraged to voice their genuine concerns about such instances by bringing relevant facts to the attention of the competent authority, it is essential that adequate safeguards are in place to protect the identity and interests of persons voicing such concerns, and that they are not subjected to victimization for the same.

Section 177(9) of the Companies Act, 2013 (the Act), read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 mandates every listed company, companies accepting deposits from the public, and companies which have borrowed money from banks and public financial institutions in excess of Rs. 50 crore, to establish a vigil mechanism for their directors and employees to report their genuine concerns regarding the situations discussed in the forgoing paragraph, and providing for adequate safeguards against victimization of directors or employees accessing the vigil mechanism.

Further, Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) also requires every listed company to establish the similar mechanism under its 'Whistle Blower Policy'.

Moreover, Schedule IV to the Act read with Section 149(8) thereof, enjoins upon the independent directors of the Company to ascertain and ensure that the Company has an adequate and functional vigil mechanism to which any concern about unethical behavior, actual or suspected frauds or violation of Company's Code of Conduct can be reported by any director or employee and to ensure that interests of such director or employee are not prejudicially affected on account of such reporting.

Accordingly, the following policy which shall be called "**AHNL Whistle Blower Policy**" has been formulated to meet the aforesaid requirements and shall come into force from the date of its adoption by the Board of Directors of the Company.

1. Objectives

The objective of this policy is to establish and provide a mechanism for the directors and employees of the Company to report any violation of the Company's Code of Conduct or any

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instance of actual or suspected fraud or unethical behavior, ensuring that such mechanism incorporates adequate safeguards against victimization of such directors or employees who avail of this mechanism.

Accordingly, this policy sets out a functional vigil mechanism to receive and investigate into any genuine concern reported by any employee or director in relation to any violation of the Company's Code of Conduct or any instance of actual or suspected fraud or unethical behavior, and after conclusion of the investigation, take requisite corrective and penal action. The policy provides for direct access to the Chairman, Audit Committee.

Simultaneously, this policy also provides for adequate safeguards against victimization of such persons who avail of this mechanism thus encouraging secure and responsible use of this policy. However, this policy should not be misused by anyone to settle personal scores or with an intention to harass colleagues by raising malicious or unfounded allegations.

2. Applicability

This Policy shall be applicable once approved by the Board of Directors of the Company and hosted on the official web-site of the Company.

The Board of Directors reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.

3. Definitions

The following expressions used hereinafter shall have the meaning as defined below:

- a) "Audit Committee" means the Audit Committee as constituted by the Board of Directors of the Company from time to time in accordance with Section 177 of the Act and Regulation 18 and other applicable provisions of the Listing Regulations read with Part C of Schedule II to the said Regulations, as may be amended or re-stated from time to time.
- b) "Board of Directors" or "Board" means the collective body of directors of the Company.
- c) "Code" means the Code of Conduct for Directors and Senior Management Personnel as adopted by the Board of Directors of the Company from time to time.
- d) "Company" means Asian Hotels (North) Limited.
- e) "Competent Authority" means the Chairman of the Audit Committee.
- f) "Employee" means every employee of the Company, wherever working, including the directors in the employment of the Company.
- g) "Improper Activity" means any activity by an Employee of the Company that is undertaken in performance of his or her official duty, whether or not that act is within the scope of his or her employment, and that is:
 - in violation of the Company's Code of Conduct,

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- abuse of authority for personal benefit or the benefit of third party,
- a suspected or actual manipulation of company data/record, or accounting or financial mis-reporting,
- pilferage of confidential / proprietary information, or unauthorized disclosure of information to third party,
- leakage of unpublished price sensitive information as defined under SEBI (Prohibition of Insider Trading) Regulations, 2015,
- a suspected or actual criminal offence, corruption, bribery, theft, conversion or misuse of the Company's property or fraud,
- an activity involving gross misconduct, and any other unethical, biased, favoured or imprudent act.

Activities which have no nexus to the working of the Company and are purely of personal nature are specifically excluded from the definition of Improper Activity.

- h) "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence an "Improper Activity".
- i) "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.
- j) "Whistle Blower" means someone who makes a Protected Disclosure under this Policy.

4. Eligibility

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures should relate only to the activities or matters concerning the Company.

5. Guiding Principles

- a) The Whistle Blower and / or the person(s) processing the Protected Disclosure are not subjected to victimization.
- b) Complete confidentiality as to the identity of the Whistle Blower is maintained.
- c) Opportunity of being heard is provided to the Subject of Protected Disclosure.
- d) Evidence of Protected Disclosure is not concealed and appropriate action including disciplinary action is taken in case anyone destroys or conceals evidence of the Protected Disclosure made or to be made.

6. Role of Whistle Blower

- a) The Whistle Blower is not required to conduct any investigation on his own.
- b) The Whistle Blower does not have any right to participate in the investigation.
- c) Protected Disclosure will be appropriately dealt with by the Competent Authority.
- d) The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

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7. Disqualifications

- a) Genuine Whistle Blowers will be accorded protection from any kind of unfair treatment / victimization. However, any abuse of this protection will warrant disciplinary action.
- b) 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.
- c) Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala-fide, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this policy and the Audit Committee may take suitable action against such persons including reprimand.

8. Procedure

- a) The Protected Disclosure should be attached to a letter bearing the identity of the Whistle Blower i.e. Name, Employee Number and Location, and should be in a closed / secured / sealed envelope addressed to the Competent Authority which should be super-scripted "Protected Disclosure".
- b) If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, directly or indirectly or the Protected Disclosure directly or indirectly relates to the Competent Authority, he may send his Protected Disclosure directly to the Audit Committee of the Board of Directors of the Company.
- c) Anonymous or pseudonymous Protected Disclosure shall not be entertained.
- d) Protected Disclosure should either be typed or written in legible hand writing in English or Hindi, and should provide a clear understanding of the Improper Activity involved or issue / concern raised/sought to be raised by the Whistle Blower. It must contain as much relevant information as possible and should help in initial assessment and investigation.
- e) 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.

9. Investigation

- a) All Protected Disclosures reported under this Policy will be thoroughly investigated by the Competent Authority or the Audit Committee, as applicable, in accordance with the normal procedure. The Competent Authority or the Audit Committee may at its discretion, consider taking assistance of any Employee, director, third party, or external agency for the purpose of investigation.
- b) The decision to conduct an investigation should not be construed as an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the claim/conclusion of the Whistle Blower that an Improper Activity was committed.
- c) The identity of the Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- d) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

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- e) Subjects shall have a duty to co-operate with the Competent Authority or the Audit Committee during the investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- f) Subjects have a right to consult with a person or persons of their choice, except the Competent Authority, Audit Committee, other persons involved in the investigation and Whistle Blower. This may involve representation including legal representation. Subjects shall be free at any time to engage a counsel at their own cost to represent them in the investigation proceedings.
- g) Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects. If he/she is found indulging in any such actions they will make themselves liable for disciplinary actions. Under no circumstances, Subjects should compel Competent Authority to disclose the identity of the Whistle Blower.
- h) Subjects have a right to be informed of the outcome of the investigation.
- i) The investigation shall be completed normally within 45 days of the date of receipt of the Protected Disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.

10. Protection

- a) 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 the Whistle Blowers.
- b) Complete protection will be given to the Whistle Blowers against any unfair practice. 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.
- c) The Whistle Blower shall be protected from any 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.
- d) Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

11. Decision

If an investigation leads the Competent Authority to conclude that an Improper Activity has been committed, the Competent Authority shall recommend to the management of the Company to take such disciplinary or corrective action as they 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.



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12. Reporting

A quarterly report with number of complaints received under the policy, investigation conducted and their outcome shall be placed by the Competent Authority before the Audit Committee.

The Audit Committee shall have power to review any action or decision taken by the Competent Authority.

13. Access to the Chairman of the Audit Committee

The Whistle Blower shall always have right to access the Chairman of the Audit Committee as the Competent Authority is none other than the Chairman of the Audit Committee.

14. Confidentiality

All concerns and issues raised under this Policy shall be treated in a confidential manner except to the extent (i) necessary to conduct a complete, fair and effective investigation and (ii) required to be disclosed for legal or compliance reasons.

The Whistle Blower, the Subject, Competent Authority, Members of Audit Committee, Investigators and everyone involved in the process shall maintain complete confidentiality/ secrecy of the matter. Non-adherence of confidentiality is liable to invite disciplinary action as the Board may consider appropriate.

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 minimum period of seven years.

16. Administration and Review of the Policy

The Board of Directors shall be responsible for the interpretation, application, administration and review of this policy. The Board is empowered to bring about necessary changes to this Policy, as and when required, with the concurrence of the Audit Committee.

17. Amendments to the Policy

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. Any amendment to the policy shall take effect from the date when approved by the Board of Directors of the Company and hosted on the Company's website.

Note: The Original Policy effective 8th March, 2015, which was amended and approved by the Board on 11th February, 2016, was further amended and approved by the Board of Directors on 12th February, 2019. However, amended Policy will take effect from 1st April, 2019.

