

MANIPAL HOSPITALS PRIVATE LIMITED

POLICY AND PROCEDURE FOR ENQUIRY IN CASE OF LEAK/ SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

1. Background

- (a) Pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading Regulations), 2015, as amended (“**PIT Regulations**”), the board of directors of Manipal Hospitals Private Limited (the “**Company**” and the board of directors of the Company, the “**Board**”) is required to formulate a policy and lay down the procedure to initiate enquiry in case of leak, or suspected leak, of Unpublished Price Sensitive Information. In this regard, the Board has laid down this Enquiry Policy.
- (b) The Board acknowledges that the contours of an enquiry into any leak or suspected leak of Unpublished Price Sensitive Information (“**UPSI**”) would have to be determined based on the facts and circumstances of each such case and that accordingly, it is not viable to prescribe a standard operating procedure that would apply in every instance of leak/ suspected leak of UPSI. It is important to keep the enquiry process dynamic to ensure it appropriately examines all relevant aspects that may arise in different cases.
- (c) In view of the above, the Enquiry Policy sets out the broad principles that the Board will follow for the purposes of examining any case of leak or suspected leak of UPSI. It is clarified that while an enquiry in case of a leak, or suspected leak of UPSI may be undertaken through various modes, it shall adhere to the key standards set out below.

2. Definitions

- (a) “**Code**” shall mean code for prohibition of insider trading as formulated by the Company.
- (b) “**Enquiry Committee**” shall mean the enquiry committee constituted by the Board to investigate instances, allegations or suspicion of a Leak (*as defined below*) in accordance with the principles laid down in the Enquiry Policy.
- (c) “**Insider**” shall mean Insider as defined under the Code.
- (d) “**Leak**” shall mean dissemination of any UPSI by any Insider, employee, Designated Person, any Connected Person or any other person in possession of UPSI, to any person other than those persons authorized by the Board or the Compliance Officer to handle UPSI in accordance with the PIT Regulations, and the term “**Leaked**” shall be construed accordingly.
- (e) “**Suspect**” means the person or persons against or in relation to whom an inquiry is initiated in case of leak or suspected leak of UPSI.
- (f) “**Unpublished Price Sensitive Information**”/ “**UPSI**” shall have the meaning as ascribed to it under the Policy for prevention of insider trading formulated in terms of

Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and/or the rules and regulations made thereunder, the PIT Regulations and the Code of Conduct for Prevention of Insider Trading of the Company (“**Code**”), shall have the same meaning as respectively assigned to them in the Code or such acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

3. In any circumstance where the terms of this Policy are inconsistent with any existing or newly enacted law, rule, regulation or standard governing the Company, the said law, rule, regulation or standard will take precedence over this Policy.
4. **Procedure for enquiry in case of a Leak/ suspected Leak**

- (a) Upon becoming aware of any Leak or any allegations or suspicions of a Leak, including, by way of:
 - (i) communication received from regulatory authorities; or
 - (ii) a written complaint and/or communication received from a whistle-blower; or
 - (iii) Company’s own systems / internal monitoring, etc.

In case of any leak or suspected leak of Company’s UPSI, the Compliance Officer/ Chief Investor Relations Officer (where such leakage is suo moto) or the Audit Committee (where such leakage is intimated to the Audit Committee by a whistle blower), shall hold an inquiry into the same and provide a report thereon to the Board of Directors which shall also include corrective measures taken for preventing such leakage in future. The Board shall, in consultation with the Compliance Officer/ , evaluate and determine if the matter merits any enquiry or investigation. It is clarified that market rumours, inferences based on media reports, or observations made by analysts, etc. will not be the only determining factors for initiating a preliminary enquiry, and the Board shall, in consultation with the Compliance Officer, have the discretion to decide if a preliminary enquiry is required to be undertaken, in each such case.

- (b) In the event the Board decides that the matter warrants an investigation, it shall promptly constitute an Enquiry Committee, comprising such persons as the Board deems fit, to undertake a fact-finding exercise in the matter (the “**Enquiry**”).
- (c) As an initial step, the Enquiry Committee shall undertake a preliminary investigation and analyse the accuracy of the allegation/ suspicion of Leak (“**Initial Assessment**”) by taking the necessary steps, such as:
 - (i) assessing the source and type of complaint/ allegation/ suspicion;

- (ii) assessing the nature of Leak/ suspected Leak, in order to determine the scope of investigation, the parties who had access to the UPSI and the manner in which it could have been Leaked; and
 - (iii) conducting interviews with the complainant, in the event his/ her identity is known, and other relevant stakeholders, in connection with the matter.
- (d) On the basis of the outcome of the Initial Assessment, the Enquiry Committee shall determine if:
- (i) the allegation or suspicion is frivolous, and requires no further action; or
 - (ii) the matter requires further internal diligence and investigation.

The Enquiry Committee will report its findings to the Board at its next meeting along with a summary of the process followed, its recommendations and reasons thereof. Based on the report and recommendations of the Enquiry Committee, the Board shall discuss and decide if the matter requires to be investigated further.

- (e) If the Board requires the Enquiry Committee to undertake a detailed investigation, the Enquiry Committee shall conduct the Enquiry and take all requisite steps, including but not limited to, the following:
- (i) identifying the medium through which the leaked UPSI was disclosed /communicated;
 - (ii) conducting a confidential investigation into the activities of the individuals/parties that typically handled, or had knowledge of the UPSI in question, in a non-intrusive manner, including by reviewing the relevant documents, audit trails, and conducting interviews, where deemed necessary;
 - (iii) appointing external advisors/ consultants/ professionals to assist in the conduct of Enquiry or advise on the Enquiry, including, undertaking forensic investigation, where necessary; and
 - (iv) re-assessing the internal controls and measures implemented by the Company for identifying deficiencies, if any, in such controls and measures, and recommending improvements to the same.
- (f) The Enquiry Committee will ensure that the details in relation the Enquiry, including the Initial Assessment, are shared with the relevant internal and external stakeholders strictly on a “need to know” basis. In cases where the Enquiry has been initiated based on a complaint from a whistle-blower, the Enquiry Committee will keep the identity of the whistle-blower confidential.
- (g) In the conduct of Enquiry, the Enquiry Committee shall have due regard to the principles of natural justice, and will provide an opportunity of being heard and making submissions, etc., to the persons against whom allegations of Leak have been levelled. The Enquiry Committee will be required to consider the same while arriving at its conclusions.

(h) Once the Enquiry is concluded:

- (i) the Enquiry Committee will intimate the Board of its findings, along with a summary of the process followed while conducting the investigation;
 - (ii) if the Enquiry Committee is of the opinion that a Leak has occurred, and in the event the Enquiry Committee has identified the person responsible for, or involved in the Leak, it will make appropriate recommendations to the Board for the actions to be taken in that regard, including ‘disciplinary action’ such as dismissal, wage freeze, suspension, recovery, clawback and ineligibility for future participation in employee stock option plans, etc.;
 - (iii) the Board shall, as appropriate, take disciplinary and penal action and any other steps it deems necessary, against the persons identified as being responsible for, or involved in, the Leak. It is clarified that any action taken by the Securities and Exchange Board of India (the “SEBI”) for violation of the PIT Regulations and any other applicable law shall not preclude the Board from taking any disciplinary action in accordance with the recommendations of the Enquiry Committee.
 - (iv) The Enquiry Committee shall strive to conclude the Enquiry within 14 working days from its commencement. It is clarified that the period for conclusion of the Enquiry may be extended with the prior permission of the Board, if the circumstances so require.
- (i) The Board shall also inform SEBI of the outcome of the Enquiry and the steps taken by the Board in that regard.

The Enquiry Policy shall not in any way preclude any referrals, complaints, measures, actions etc. which can be instituted, or which are available under the existing Vigil Mechanism and Whistle-blower Policy of the Company.

5. POWERS OF THE ENQUIRY COMMITTEE:

For purpose of conducting inquiry, the Inquiry Committee may:

- i) call upon:
 - a) such employees/individuals to provide clarification or information pertaining to the leak;
 - b) persons/members of committees involved in generation of the original data for purpose of determination of key figures pertaining to financial figures;
 - c) persons involved in the consolidation of the figures for the financial results;
 - d) persons involved in the preparation of board notes and presentations;
 - e) persons involved in dissemination of information relating to financial results in the public domain;
 - f) any other persons who had access to the information;
 - g) any market intermediaries, fiduciaries and other person/ entities who have access to UPSI for inquiry conducted for leak of such UPSI.

- ii) at its discretion, invite external investigators/experts.
- iii) take necessary actions including sending the Suspect on leave, restrict physical access to the office premise, freeze access to systems, electronic devices, emails, etc., during the pendency of the investigations for fair conduct of the proceedings.
- iv) notify the Suspect of the allegations at the outset of internal investigation and provide him opportunity to represent his case and submit evidence.
- v) do all such other acts, deeds, matters and things as are necessary for the purpose of conduct of inquiry.

6. DUTIES OF ENQUIRY COMMITTEE:

The Enquiry Committee shall be responsible for the following:

- i. To conduct a preliminary assessment and/ or an inquiry into any Incident to ascertain the truth or materiality of the information and/or the complaint received in this regard. The Inquiry Committee can also take cognizance of any such matter suo-moto.
- ii. The Enquiry Committee may authorize or engage any person as it may deem appropriate, if required, to collect necessary support material required for investigation of the Incident.
- iii. The Enquiry Committee shall investigate in accordance with the procedure set out below.
- iv. The Enquiry Committee shall keep the identity of the Suspect confidential till the completion of inquiry unless it is essential to disclose for the purpose of investigation.
- v. The Enquiry Committee shall submit its observations to Managing Director and the Compliance Officer shall further intimate the observations to the Board, and
- vi. To decide disciplinary action thereon.

7. COMPLAINT MECHANISM:

A person can report a leak or a suspected leak of UPSI to the following:

- i) Compliance Officer of the Company at legalcs@manipalhospitals.com
- ii) Chairperson of the Audit Committee by sending a letter marked “Private and Confidential” to:

Chairperson – Audit Committee
Manipal Hospitals Private Limited
THE ANNEXE, #98/2, RUSTOM BAGH,
HAL AIRPORT ROAD, Bangalore,
Karnataka, India, 560017

8. Amendments

This Enquiry Policy may be amended by the Board, including, on account of any changes in the laws, rules and regulations applicable to the Company from time to time or changes in internal processes. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

In the event of any conflict between the provisions of this Policy and of the applicable law dealing with the objectives of SEBI PIT Regulations and leak of UPSI, such applicable law shall prevail over this Policy.

9. Effective Date

The Policy will be applicable to the Company from the date of approval of the Board
