

THE NORMS SET FOR DISCHARGE OF FUNCTIONS

The company has well defined procedures and guidelines in the form of delegation of powers, laid down policies and guidelines, manuals, compliance of provisions of various statutes, rules and regulations, guidelines of Department of Public Enterprises and guidelines of Chief Vigilance Commission, for smooth operation of the Company.

Various policies laid down by the Company follows;

Safety, Health & Environment Policy

HLL Lifecare Limited is committed to protect environment, eliminate occupational hazards and maintain a healthy and safe work place by

- Preventing any adverse impact to the environment and complying with applicable legal and other requirements.
- Adopting safe operating practices, with employee training and their involvement.
- Improving the environmental quality by minimizing waste & emission, reusing & recycling, reducing the use of natural resources.
- Striving for a global and consistent approach that builds on local management system & best practices and to achieve sustainable performance.
- Periodic review of safety, health and environment management system.

Quality Policy

HLL Lifecare Limited is committed to:

- Consistently provide our customers with affordable Healthcare solutions of the highest possible level of quality.
- Continually improve our processes, products and services, adopt best technologies and practices and meet national / international regulatory requirements at all times.

- Focus on innovation, R&D, cost management and deliver customer value nationally and globally, conforming to the needs of our customers.
- Be an organization that meets highest standards in Corporate Governance and Corporate Social responsibility.

Energy Policy

HLL Lifecare Limited is committed to procure and use energy in the most cost effective, efficient and environmentally responsible way through:

- Regularly reviewing the energy efficiency performance and adopt relevant improvement;
- Using energy efficiency as one of the key criteria within procurement process and encourage usage of renewable energy source;
- Compliance of applicable legal and other requirements related to energy use, consumption & efficiency;
- Ensuring promotion of awareness about the need for diligent consumption and conservation of energy among the employees and other stakeholders.

Lab Policy

HLL Lifecare Limited is committed to:

- Ensure reliable, consistent, impartial and traceable test results by using test methods complying with national / international standards and by following good professional practices.
- Ensure that all personnel involved in the testing operations are competent and familiar with the policies and procedures of the management system conforming to ISO/IEC 17025: 2017 and implement the same in their work.

- Continually improve the effectiveness of the management system.

Vigil Mechanism / Whistle Blower Policy

HLL Lifecare Limited has adopted a Vigil Mechanism/Whistle Blower Policy, to provide a formal mechanism to the Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year in this regard. The Whistle Blower Policy is placed in the website of the company.

Risk Management

HLL Lifecare Limited has adopted a robust Risk Management Policy approved by the Board of Directors and established an Enterprise Risk Management (ERM) system that engages with all the business verticals for risk assessment and ensures that the risk mitigation plans are in place.

Policy on Prevention, Prohibition And Redressal of Sexual Harassment at Workplace

Company has constituted compliance committee as per the provisions of the Sexual Harassment at workplace (Prevention, Prohibition and Redressal) Act, 2013 – an Act to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment. HLL firmly believes that sexual harassment results in violation of the fundamental rights of woman to equality under articles 14 and 15 of the Constitution of India and the right to life and live with dignity under article 21 of the constitution and the right to practice any profession or to carry on any occupation, trade or business which includes a right to safe environment free from Sexual Harassment. Redressal

Committees have been constituted in all units of the Company. Meetings are conducted on regular intervals.

The Committee conducted various programmes in an effort to promote the well-being of all lady employees of the Company. A Training programmes on “Work life Balance for Lady Employees, as well as a talk on “Physical and Mental well being of women at workplace” were conducted by Dr. Leela Kumari, Consultant HLL Management Academy for the benefit of women employees. International Women’s Day was celebrated in a befitting manner at Head office and Units. Director (Finance) DR. Geeta Sharma addressed the lady employees of Head office and Units and subsidiaries through video-conferencing.

Our Company received eight complaints regarding Sexual Harassment during the financial year 2018-19. All the complaints were dealt with appropriately.

Implementation of Official Language Policy

HLL has complied with the provisions made in the Official Language Act of 1963, OL Rules of 1976, Presidential Directions, Annual Programme issued by the Government of India with utmost devotion.

During the year your Company conducted 6 Technical training programmes in which 105 employees took the advantage. The Technical Seminar was conducted for familiarizing with the advanced on line facilities such as google voice typing google translate, Microsoft, Google Indic, Inscript key board, google converter, photo translation and other facilities developed by the Department of Official Language, Ministry of Home Affairs, New Delhi.

Awareness programme on OL Policy was given to 46 employees. HLL organized Hindi Diwasand Hindi Fortnight Celebrations in a befitting manner towards creating a conducive environment in the company. Various competitions were conducted separately for employees, children of employees, Top Management and for the students of the Mahila Mandiram School,

Poojappura. 90 students participated in the competitions from the School. In addition to this, Hindi Mela, Viswa Hindi Diwas, Viswa Mother tongue Day, All India OL Conference. Various incentives and awards were instituted in the Company among Units, Sections such as Rolling shield for Units, Leading section Award and an overall citation for an employee who contribute more in the field of Official Language Implementation in the Company as a whole in addition to the awards prescribed by the Government of India.

HLL is publishing OL Magazine 'Samanvaya' half yearly 'Corporate News' the news letter of the company in Hindi' and 'Moments' the photo news letter in bilingual in every month. 'Samanvaya' was adjudged as the best magazine by the TOLIC(Undertaking).

During the year under review, the hon'ble members of the Parliamentary Committee on OL inspected the implementation of OL Policy in HLL.

HLL is also the convener of TOLIC (U), Thiruvananthapuram and various programmes were conducted under the auspices of TOLIC in order to promote and propagate Official Language Hindi in the member offices. Competitions conducted for member offices and children of the employees of member offices, State Level Inter TOLIC Technical Seminar, Kavi Sammelan & Quiz competition, 5 day Language training through Video Conference by Central Hindi Training Institute, Orientation Programme on OL Policy and Technology for Heads of Member Offices, Technical Seminar for college teachers & Students, and Ganamela at Old Age Home (ladies) were organised. Hindi Magazine of TOLIC 'Thapasya' was also released during the year. TOLIC (U) was bagged Southern Regional Official Language Award (IInd Place) instituted by the Department of Official Language, Ministry of Home Affairs, New Delhi.

Corporate Social Responsibility & Sustainability Initiatives of the Company

HLL implements CSR programmes directly and through its implementing agencies such as HLL Family Planning and Promotion Trust [HLPPT] and HLL Pratheeksha Charitable Society.

During the year the Company has undertaken many CSR initiative programmes. In compliance with Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) Committee.

Integrity Pact Policy

HLL Lifecare Limited, Poojapura, Thiruvananthapuram

(Amendment in Version 2: Para 6(ii) of the document is amended with effect from 13th August 2018.)

1. Introduction

HLL is committed to provide the most ethical and corruption free business environment. HLL values its relationships with all counterparts and deals with them in fair and transparent manner. The Central Vigilance Commission (CVC) has been promoting Integrity, transparency, equity and competitiveness in all transactions of corporate entity. HLL has taken steps to publish the Procurements and tenders in websites, clearly defining the conditions of tenders, for wide dissemination of information. In this respect, CVC has proposed Integrity pact as a vigilance tool, conceptualized and promoted by Transparency International and has provided basic guidelines. To ensure that all activities and transactions between the company and their suppliers and contractors are dealt in a fair, transparent and corruption-free manner, HLL wants to implement the Integrity Pact Policy in respect of all contracts of the value exceeding the threshold limit mentioned in the Policy. As a part of this initiative, HLL will in consultation with Central Vigilance Commissioner, appoint external Independent Monitors who will help HLL in implementing the Integrity Pact Policy. The Integrity Pact would be signed by bidder(s) who respond to the tenders published by HLL at the pre-tendering stage itself, and will form part of the tender document. A pre-signed Integrity Pact by the Buyer would form part of the tender

document. The bidder(s) would sign the Pact and submit it along with the financial and technical bids.

2. Commitments and Obligations of HLL

- i. HLL is committed to have ethical and corruption free business dealings with counterparty(s).
- ii. HLL values its relationship with all counterparties (prospective bidders/ tenderers) and will deal with them in a fair and transparent manner.
- iii. HLL will deal with all counter parties with equity, reason and fairness.
- iv. HLL and/or its Associates (i.e. employees, agents, consultants, advisors, etc.) will not seek or take bribe/undue benefit directly for themselves or for third party(s).
- v. HLL will exclude all Associates who may be prejudiced or have a conflict of interest in dealings with counter parties.
- vi. HLL will initiate punitive and corrective action, and pursue it vigorously whenever corruption or unethical behavior occurs.

3. Commitments and Obligations of Counter Party(s)

- i. The counterparty and or its Associates (i.e. employees, agents, consultants, advisors, etc.) will not pay any bribe or offer or involve any form of illegal benefit to anyone to gain undue advantage in dealing with HLL, directly or through third party(s).
- ii. The counterparty will not engage in collusion, price fixing, cartelization, etc. with other counterparty(s).
- iii. The counterparty will not pass to any third party any confidential information entrusted to it, unless duly authorized by HLL.
- iv. The counterparty will promote and observe ethical practices within its Organization and its affiliates.
- v. The Counter Party commits to refrain from giving any complaint directly or through any other manner without supporting it with full and verifiable facts.

vi. The counterparty will not commit any offence or instigate third persons to commit offences under Indian Penal Code 1860 / Prevention of Corruption Act, 1988 or be a partner to such offences.

vii. The counterparty shall not lend to, borrow any money from, or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the HLL. viii. The counterparty will not make any false or misleading allegations against HLL or its Associates.

ix. If the counterparty or any employee of the counterparty or any person acting on behalf of the counterparty, either directly or indirectly, is a relative of any of the officers of the HLL, it shall be disclosed by the counterparty at the time of filing of tender. Alternatively, if any relative of an officer of the HLL has financial interest/stake in the counterparty's firm, the same shall be disclosed by the counterparty at the time of filing of tender.

x. A foreign counterparty shall disclose to HLL the name and address of their agents and representatives in India and an Indian Bidder shall disclose their foreign principals or associates.

4. Violations and Consequences

i. If a counter party commits violation of its Commitments and Obligations under Integrity Pact Policy during bidding process, he shall be liable to compensate HLL by way of liquidated damages amounting to a sum equivalent to 5% of value of the dealings or the amount equivalent to Earnest Money Deposit/Bid Security, whichever is higher.

ii. In case of violation of the Integrity Pact after award of the contract HLL will be entitled to terminate the contract. HLL shall also be entitled to demand and recover from the contractor liquidated damages equivalent to 10% of the contract value or the amount equivalent to security deposit/ performance guarantee, whichever is higher.

iii. HLL may initiate criminal proceedings against the violating counterparty.

iv. HLL may take appropriate action against its Associates (i.e. employees, contract staff, agents, consultants, advisors, etc.), in case there is a violation of the Integrity Pact by them.

v. HLL may debar bidder from participating in future bidding processes of the company for a minimum period of five (5) years, which may be further extended at the discretion of the HLL or until the Independent External Monitors is satisfied that the Counterparty will not commit any future violation.

5. Independent External Monitors

i. The Board of directors of HLL is the authority to appoint Independent External Monitors (IEMs) to oversee the implementation and effectiveness of the Integrity Pact Policy. For this purpose, a panel of Independent Monitors may be constituted by the authority in concurrence with Central Vigilance Commissioner (CVC). It will be a voluntary, non-salaried position of three (3) year term. Independent Monitor will have status/benefits similar to those of Independent Directors of HLL.

ii. The Independent Monitor will be a person of Impeccable Integrity, and reputation, possess domain experience of the activities of Public Sector Undertakings or the relevant field with which they may be required to deal, knowledgeable of HLL's business and experienced in commercial activities.

iii. The main objective of the IEMs will be to oversee the implementation of the Integrity Pact Program, to prevent corruption, or any other unethical practices in the implementation of the contract.

iv. The IEMs will not have administrative or enforcement responsibilities. They will coordinate through the Chief Vigilance Officer of HLL (CVO) or other anti-corruption institutions such as CVC. (IEMs may engage services of outside agencies such as accounting firms, law firms, etc. at HLL's expense, if required, in discharge of his responsibilities after obtaining the approval of the Chairman & Managing Director of HLL)

v. The IEMs will have access to all offices and internal records of HLL in respect of the Tender in question. They will also have access to Counterparties' records and information regarding its dealing with HLL.

vi. There will be structured meetings of the IEMs with the CVO on a quarterly basis to discuss/review the information on Purchase orders/tenders awarded in the previous month.

vii. The IEMs will have right to attend any meetings between HLL and the Counterparty(s). As far as possible, the meetings will be scheduled in India. In respect of any meeting to be held outside India, attendance by the IEMs would be decided in consultation with the CVO. The IEMs shall be under contractual obligation to treat the information and documents of the Bidder(s) /Sub-contractor(s) with confidentiality.

viii. If the IEMs observe or suspect an irregularity, they will inform the CVO. Once the IEMs are satisfied that any irregularity has taken place, they may also inform the CVC.

ix. The IEMs can be removed from office only with the approval of the Board of directors of HLL.

x. The IEMs will submit a written report to the CVO within 8 to 10 weeks from the date of reference or intimation to them by HLL and, should the occasion arise, submit proposals for correcting problematic situations.

6. Implementation Guidelines

i. The threshold value for the contracts to be covered through Integrity Pact has been decided to cover all significant transactions or contracts commensurate with the size and business operations of the company. Apart from all high value contracts, those contract involving complicated or serious issues are brought within the ambit of Integrity Pact, after a considered decision of the management.

ii. Integrity Pact Policy will apply to all transactions/contracts mentioned below.

Transaction	Threshold Value (Rs in Crore)
Contracts/Work orders/Purchase Orders of both Revenue & Capital nature.	10.00

In the case of Capital and Revenue items that are Proprietary in nature, the Integrity Pact would apply to all transactions/contracts irrespective of the value of transaction.

iii. Integrity Pact Clause, which should be included with every Work Orders/ purchase orders/tenders crossing the threshold limit.

“The Integrity pact annexed shall be part and parcel of this document, and has to be signed by bidder(s) at the pre-tendering stage itself, as a pre bid obligation and should be submitted along with the financial and technical bids. All the bidders are bound to comply the Integrity Pact clauses. Bids submitted without signing Integrity Pact will be ab initio rejected without assigning any reason”.

iv. Integrity Pact would be operative from the stage of invitation of bids until the completion of the contract. Any violation of the same would entail disqualification of the bidders and exclusion from future business dealings”

v. Integrity Pact to be signed between HLL and Bidders/Contractors is enclosed as **Exhibit** hereto.

vi. The Vigilance Department in HLL would be responsible for review, enforcement and reporting on all related vigilance issues.

vii. HLL will notify all senior level Executives, Board of Directors, any other oversight body of the Company and major suppliers of HLL's plan to implement the Integrity Pact Policy. Further, the Integrity Pact Policy shall be included in HLL's web site and disclosed to the media. viii. HLL will conduct orientation Programme for senior level Executives to equip them to implement Integrity Pact policy successfully.

ix. Officers of HLL will take pledge for implementation of Integrity Pact policy.

x. CVC guidelines issued from time to time will be strictly followed with respect to implementation of Integrity Pact policy.

xi. An internal assessment of the impact of Integrity Pact shall be carried out periodically by the CVOs of HLL and reported to the Central Vigilance Commission and would keep the Commission informed with the implementation status through their monthly reports or special reports.

7. Periodic Review and Evaluation

The CVO will carry out periodic review of Integrity Pact Policy as mentioned below:

- i. IEMs and the CVO will do an annual self-assessment of Integrity Pact Policy's effectiveness and identify areas/ways to improve.
- ii. HLL will organize an annual financial review by independent auditors to determine effectiveness of Integrity Pact Policy in reducing corruption.
- iii. HLL will organize an annual physical review by a known NGO having particular expertise in this field.
- iv. IEMs will submit an annual report on the progress/effectiveness of Integrity Pact Policy to the CVC.
- v. HLL will publish an Integrity Pact Policy report in the Annual Report.