

Whistle Blower Policy

PREAMBLE

Section 177 of the Companies Act, 2013 requires every listed Company and such class or classes of Companies, as may be prescribed, to establish vigil (Whistle Blower) mechanism for the Directors and employees to report genuine concerns in such manner as may be prescribed.

1) **Applicability :**

The Company has a Whistle Blower Policy and the same was applicable to only employees of the Company. Now, as per the Companies Act 2013, the vigil (Whistle Blower) mechanism is also to be laid down for the Directors of the Company as well and Now it has been amended at the Board Meeting held on 17th May, 2019 and the revised Code shall be effective from 1st April, 2019, in terms of the provisions of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of the Board & its Powers) Rules, 2014 read with Regulation 22 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be amended from time to time, which requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil (Whistle Blower) mechanism for its Directors and Employees*, to report genuine concerns, and to freely communicate their concerns about illegal or unethical practices.

The Vigil (Whistle Blower) Mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

Gokaldas Exports Limited (“GEX”) believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour, in consonance with Code of Conduct.

In line with this commitment this policy aims to provide an avenue for Directors/employees to raise concerns and reassurance that they will be protected from reprisals or victimization for whistleblowing.

*Applicability this policy applies to all permanent employees of the Group.

2) **Policy :**

This policy is formulated to allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization without the Directors or employees being necessarily required to inform their superiors and to create awareness amongst Directors or employees to report instances of leak of unpublished price sensitive information.

This Policy is intended to check that whenever any unacceptable/improper practice and/or any unethical practice and/or any **instances of leak of unpublished price sensitive information and/ or any** other genuine concern is reported by a Director or an employee, proper action is taken to check such practice/wrongdoing and the concerned Director or employee is protected / safeguarded against any adverse action and/or any discrimination and/or victimization for such reporting.

It also provides necessary safeguards and protection to the Directors/employees who disclose the instances of unethical practices/ behavior observed in the Company. The mechanism also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

All the Directors and employees shall be protected / safeguarded from any adverse action for reporting any unacceptable/ improper practice and/or any unethical practice or frauds or violation of any law, rule or regulation and/or any other genuine concern, so long as the Director employee :-

1. Reports in good faith his/her belief that there is waste of the company's funds;
2. Reports in good faith the violation or suspected violation of a law, rule or regulation;
3. Participates in or gives information in an investigation, hearing, court proceeding, legislative or other inquiry, or other administrative review;
4. Objects or refuses to carry out a directive that the Director or employee believes in good faith may violate a law, rule or regulation.

The Company is forbidden from taking any adverse action against a Director or an employee for exercising the rights as listed above.

Examples of adverse action are given below:-

1. Removal of a Director;
2. Discharging the employee;
3. Threatening the Director or employee;
4. Discriminating against the Director's directorship or employee's employment.

Any Director who has a genuine complaint or concern about any fraud or violation of any law, rule or regulation or unacceptable/improper practice and/or any unethical practice may complain about this to the designated person to attend to whistle-blowers as mentioned herein below or to the Audit Committee or its Chairperson.

Any Directors/ employees who has a genuine complaint or concern about any fraud or violation of any law, rule or regulation or unacceptable/improper practice and/or any unethical practice may complain about this to his superior or to the designated person to attend to whistle-blowers as mentioned in this Clause 6.1.

All Directors/ employees of the Company are covered under this policy. The policy covers malpractices and events which have taken place/ suspected to have taken place in the Company involving:

Every Directors/ Employees of GEX is expected to promptly report to the management any actual or possible violation of GEX Code of Conduct. The Code of Conduct for Directors/ Employees or any other unlawful or unethical or improper practice or act or activity at GEX

The unlawful or unethical or improper practice or act or activity (hereinafter referred to as an “alleged wrongful conduct”) may include, but is not limited to, any of the following:

- Unlawful activity
- Incorrect financial reporting;
- Misuse or misappropriation of GEX’s assets
- Gross waste of or misuse or misappropriation of GEX’s funds
- A substantial and specific danger to health and safety
- An abuse of authority
- Activities that are not in line with GEX’s policies
- Activities, which otherwise amount to serious improper conduct

No Directors/ employees with authority to make or materially influence significant personnel decisions shall take or recommend an adverse personnel action against an employee in knowing retaliation for a disclosure of information, made in good faith, about an alleged wrongful conduct.

3) Definitions :

i. **“This Policy”**

Refers to the "Whistle-Blower Policy."

ii. **“Whistle-Blower” (WB)**

WB means the Directors/employees of the Company making the disclosure under this policy. The Whistle Blower’s role is that of a reporting party. Whistleblowers are not investigators or finders of the facts; neither can they determine the appropriate corrective or remedial action that may be warranted.

iii. **“Company” or “GEX”**

Company or GEX refers to Gokaldas Exports Limited and its Subsidiaries.

iv. **“Adverse Personnel Action”**

An employment-related act or decision (relating to, but not limited to, compensation, promotion, job location, job profile, leave or other privileges) or a failure to take appropriate action by his/her immediate superior, which may affect the employee negatively.

v. **“Audit Committee”**

Audit Committee shall oversee implementation of Whistle-Blower Policy;

vi. **“Directors/ Employees”**

All Directors and All permanent employees of the Group.

vii. **“Good Faith”**

An employee shall be deemed to be communicating in ‘good faith’ if there is a reasonable basis for communication of the alleged wrongful conduct. Good faith shall be deemed lacking when the employee does not have personal knowledge of or a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the alleged wrongful conduct is malicious, false or frivolous.

4) Roles, Rights and Responsibilities of Whistle-Blowers

- Whistle-Blowers provide initial information based on a reasonable belief that an alleged wrongful conduct has occurred. The motivation of a whistle-blower is irrelevant to the consideration of the validity of the allegations. However, the intentional filing of a false report, whether orally or in writing is itself considered an improper activity, which the Audit Committee has the right to act upon.
- Whistle-Blowers shall refrain from obtaining evidence for which they do not have a right of access. Such improper access may itself be considered an improper activity.
- Whistle-Blowers have a responsibility to be candid with the members of the Audit Committee or others to whom they make a report of alleged improper activities and shall set forth all known information regarding any reported allegations.
- Anonymous whistle-blowers must provide sufficient corroborating evidence to justify the commencement of an investigation. An investigation of unspecified wrongdoing or broad allegations would not be undertaken without verifiable evidence. Because investigators are unable to interview anonymous whistle blowers, it may be more difficult to evaluate the credibility of the allegations and, therefore, less likely to cause an investigation to be initiated.
- Whistle-Blowers are “reporting parties,” not investigators. They are not to act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the investigating authority.
- The identity of the whistle-blower will not be disclosed except where required under the law or for the purpose of the investigation. Should, however, the whistle-blower self-disclose his or her identity, there will no longer be an obligation not to disclose the whistle-blower’s identity.
- A whistle-blower’s right to protection from retaliation does not extend immunity for any complicity in the matters that are the subject of the allegations or an ensuing investigation or any other misconduct or wrong doing.
- This policy may not be used as a defence by an employee against whom an adverse personnel action has been taken for legitimate reasons or cause under Company rules and policies. It shall not be a violation of this policy to take adverse personnel action against an employee, whose conduct or performance warrants that action, separate and apart from that employee making a disclosure.

5) Disqualification

- While it will be ensured that genuine Whistle-Blowers are accorded complete protection from any kind of unfair treatment including harassment and victimization 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 whistle-blower knowing it to be false or bogus or with a mala fide intention.
- Whistle-Blowers, who make any Disclosures, which have been subsequently found to be mala fide or malicious or whistle-blowers who makes three or more Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Disclosures under this Policy. This itself will be considered as an improper activity which the Audit Committee members have the right to act upon.

6) Procedures

6.1 For Making a Disclosure

- Any employee who observes or has knowledge of an alleged wrongful conduct shall make a disclosure to the audit committee or any of the members of the Audit Committee as soon as possible but not later than 60 consecutive calendar days after becoming aware of the same. The disclosure may be made in writing to Mr. Prabhat Kumar Singh, Whole time director, (by e-mail to prabhat.singh@gokaldasexports.com or on paper) or orally (a personal meeting or over the telephone). If a disclosure made to any member of the audit committee, such member shall immediately bring the fact of disclosure to the notice of the audit committee.
- The Committee shall appropriately and expeditiously investigate all whistle-blower reports received. In this regard, the Committee, if the circumstances so suggest, may appoint a senior officer or a committee of managerial personnel to investigate into the matter.
- The Committee shall have the right to outline a detailed procedure for an investigation.

6.2 For Filing a Complaint by Whistle-Blower

- No later than 20 days after a current or former Director/employee is notified or becomes aware of an adverse personnel action, he or she may protest the action by filing a written Whistle-Blower complaint with audit committee or any member of the Audit Committee if the employee believes the action was based on his or her prior disclosure of alleged wrongful conduct. The Committee on receipt of a Whistle-Blower complaint shall appoint a senior officer or a committee of managerial personnel to review the complaint.

- Within 45 days of the complaint, the Senior Officer or committee will submit a report to the Audit Committee. After considering the report, the Committee shall determine the of the future course of action and may order remedial action.

7) 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.

8) Notification & Effective date

All Business / Departmental Heads are required to notify and communicate the existence and contents of this policy to their employees or Directors as the case may be. The new employees or Directors shall be informed about the policy by the HR department.

This Revised Policy shall be effective from 1st April 2019.

8) Amendment

GEX reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever.