

WHISTLE BLOWER POLICY / VIGIL MECHANISM

Contents

Section 1 : Preface

- About the policy
- Objective
- Applicability

Section 2 : Policy Content

- Who can raise concern
- How to raise concern
- Investigation process
- Protection / Immunity
- Disqualification
- Timelines
- Implications

Section 3 : Policy Implementation

- Implementation Framework
- Roles & Responsibilities

Section 4 : Appendix

- Glossary

Section 1 : Preface

1.1 About the Policy

This policy has been divided into four key sections.

Section 1 : Includes details on the Objective and Applicability of this policy which envisages the need and company's culture towards preventing and detecting fraud.

Section 2 : Provides details such as investigation, disqualification and timelines which covers all administrative procedures for enforcing this policy.

Section 3 : Consists of the details such as implementation framework, and roles and responsibilities covering all governance procedures relevant for implementing this policy.

Section 4 : Contains the Glossary for providing an understanding of this policy.

1.2 Objective

The Company aims to propagate a culture for maintaining highest standard of conduct and professionalism. To achieve this, the company has formulated this policy that will provide guidelines and assignment of responsibility for the development and maintenance of controls, conduct of investigations, awareness trainings for the employees. The Company would perceive any actual or potential fraud, however insignificant or perceived as such, very seriously.

This policy seeks to :

- Provide an independent, high level forum by means of the Disciplinary Committee and Ombudsperson for employees and Business Associates to raise concerns and complaints about fraudulent practices such as :
 - Misappropriation of funds and assets
 - Corruption
 - Financial Statement Fraud

- Establish a fair and equitable inquiry process and redressal mechanism

- Provide through the Ombudsperson and the Disciplinary Committee, a forum to review and investigate such concerns and give appropriate feedback on action taken.
- Reassure employees and Business Associates raising the concerns, that each one utilizing the process will be fully protected against possible reprisals, intimidation, coercive action, dismissal, demotion or victimization when a serious and genuine concern of fraud has been reported in good faith.

1.3 Applicability

This policy is applicable to all employees as well as its business associates interacting with GSML. All frauds or suspected frauds shall be investigated in accordance with the provisions provided in this policy and other related policies. This policy is required to be read in conjunction with the Code of Conduct.

Section 2 : Policy Content

2.1 Who can raise concern

Any employees or business associate who observes or is affected by any fraudulent activity can approach the Ombudsperson to voice his or her concerns. The complainant may be either an observer who is not directly impacted, or a victim who is directly or indirectly affected by such practices.

2.2 A person wishing to raise a concern to the Ombudsperson, either verbally or in writing by providing the following information such as –

- i. Background
- ii. History of the fraud
- iii. Grounds for raising the concern
- iv. Identity of the Subject or subjects
- v. Documentary evidence, wherever available

Protected Disclosures shall be factual and not speculative or in the nature of a conclusion, and shall contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure. The complaints may be submitted in either of these forms:

- Writing through hard copy mail to
The Ombudsperson,
Gobind Sugar Mills Ltd
5th Floor, Birla Building,
R.N. Mukherjee Road
Kolkata - 700001
- Sending an e-mail to a secured mail ID,
lq.gsml@adventz.com
- Use the Drop Boxes placed for the purpose or
- Verbally to the Ombudsperson over 24*7 telephone line 1-800-xxxx-xxxx established for this purpose.

2.3 Investigation Process

The policy provides for an investigation and resolution process in 3 stages :

Stage 1 – Initial Review

All reporting related to fraud or suspected fraud shall be received directly by the Ombudsperson. The Ombudsperson shall record the details received such as background, history of fraud, details of the subjects, documentary evidence etc. in a dashboard. The ombudsperson performs an initial assessment of the complaint, confirms the facts presented by examining the validity of the allegation and defining the severity of the allegation. The severity would be based on identifying if the allegation is a potential violation of law, rules or company policy. Upon completion of preliminary assessment the Ombudsperson shall forward the relevant details to the Chairman of Audit Committee for revalidating the facts of the complaint and update the same in the dashboard.

If it is found that the allegation is frivolous then the Ombudsperson shall dispose the allegation and the complainant shall be dealt with, in accordance with the procedures specified in clause '2.7 Implications' of this policy.

Stage 2 - Preliminary Investigation

Upon completion of Stage 1, the Chairman of Audit Committee shall conduct a preliminary investigation in which both the complainant and the

subject shall be provided an opportunity to be heard. The evidence provided by both the parties shall be investigated thoroughly. The investigation shall be conducted in a fair manner, as a neutral fact finding process and without presumption of guilt. The Chairman of Audit Committee would document the reasons for the same and shall report the findings to the Ombudsperson. The Ombudsperson and Chairman of Audit Committee based on the results of the preliminary investigation shall decide if a detailed investigation is required.

Stage 3 – Detailed Investigation

Upon completion of Stage 2, if the Ombudsperson and the Chairman of Audit Committee are of the opinion that a detailed investigation is required then an investigation team and a council member shall be appointed for the purpose of conducting this investigation. The investigation shall be conducted by the investigation team in accordance with the detailed procedures laid out in the clause 2.5.3 'Detailed Investigation' of the Anti-Fraud Policy'.

Stage 4 – Reporting

The findings of the detailed investigation shall be reported in writing to the Disciplinary Committee for further action. The Disciplinary committee shall take suitable action based on procedures specified in clause '2.7 Implications' of this policy.

There shall be no reprisals against anyone because he or she, in good faith, reports a fraud or suspicious fraud.

2.4 Protection / Immunity

- The process is designed to offer protection to whoever discloses concerns regarding fraud or suspected fraud to the Ombudsman provided the disclosure is made in good faith and the alleged action or non-action constitutes a genuine and serious breach of what is laid down in the Anti-Fraud Policy.
- A complainant is not a 'trouble maker' or 'sneak' but a person who has come to the decision to express a concern regarding possible fraud, after a lot of thought. The policy only requires that there be a genuine doubt and the person making the complaint is not expected to produce

unquestionable evidence in support of the allegation. The Company has an obligation to ensure that a complainant who makes a disclosure in good faith and without malice is protected, regardless of whether or not the concern raised is ultimately found to be correct. No action will be taken against the complainant when an allegation made in good faith is not confirmed by subsequent investigation.

- Protection shall be given to whistleblowers against any unfair practice like 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 Whistleblower's right to continue to perform his duties/functions including making further Protected Disclosure.
- If the whistleblower is required to be a witness in criminal proceedings, the Company shall arrange for legal advice and physical protection to the Whistleblower.
- The identities of whistleblower and subject shall be kept confidential to the extent possible, subject to the needs of the investigation or law.
- Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

2.5 Disqualifications

- Protection under this policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a whistleblower knowing it to be false or bogus or with a malafide intention.
- While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as set out herein, any abuse of this protection will warrant disciplinary action.

2.6 Timelines

- The following activities shall be performed within the timelines mentioned below :

Activity

**Timelines
(from date of receipt**

of concern)

Ombudsperson shall document in dashboard	Within 1 working day
Ombudsperson to complete Initial Review	Within 3 working days
Chairman of Audit Committee and Ombudsperson to complete Preliminary Investigation	Within 7 working days
Investigation team to complete Detailed Investigation.	Within 30 working days
Reporting of findings by investigation team to Disciplinary Committee	Within 45 working days
Reporting of findings by Disciplinary Committee to Audit Committee.	Within 60 working days

2.7 Implications

The implication of the investigation process shall be in accordance with the actions provided under clause 2.6 'Implications' of Anti-Fraud Policy.

Section 3 : Policy Implementation

3.1 Implementation Framework Approval

- **Responsibility** - Board of Directors
- **Procedure** – The Disciplinary Committee shall place the policy to the Board of Directors for obtaining approval. This policy and any subsequent modifications to this would only become enforceable upon appropriate approval of the Board. The date on which this policy or any such modification becomes enforceable shall be clearly stated with the approval.

Implementation

- **Responsibility** - Disciplinary Committee
- **Procedure** - The disciplinary committee shall prepare an implementation plan which would include identification of areas that would be affected by implementation, implementation approach, key responsible persons and communication plan.

Communication

- **Responsibility** - Office of the Ombudsperson
- **Procedure** - The Office of the Ombudsperson shall communicate the policy and spread awareness across the company as per the implementation plan. A copy of the policy is also available to all employees on the Company intranet. Initial awareness shall be imparted as per the modes of communication defined in the implementation plan. Periodic training session shall be planned and conducted for awareness of this policy.

Review and Modification

- **Responsibility** Disciplinary Committee
- **Procedure** - The Disciplinary Committee from time to time shall review and assess the effectiveness of the policy in line with certain factors such as management directive, statutory compliance, and employee feedback. If any such assessment leads to modification to any part of this policy, such modification shall be done by the Disciplinary Committee and placed before the Board of Directors through the Company Secretary for approval.

Custody

- **Responsibility** - Ombudsperson
- **Procedure** - Original copy of the Whistleblower policy shall remain in custody of the Ombudsperson. Also all documents including complaints and action taken shall remain in custody of the Ombudsperson and shall be retained as per company documentation retention policies and relevant laws and regulations.

3.2 Roles & Responsibilities

Audit Committee

- Approval of the Whistleblower Policy and any amendments to the policy thereof.

- Appointment of Disciplinary Committee, its members and Ombudsperson
- Defining the Roles and Responsibilities of the Disciplinary Committee and Ombudsperson.

Disciplinary Committee

- Overseeing the implementation and review of the Whistleblower Policy.
- Overseeing the investigation process and appointment of an internal investigation team or external subject matter experts to conduct an investigation.
- Determine implication of investigation findings.
- Report findings of investigation to Audit Committee, Board of Directors or External Auditors (if required).

Whistleblower

- Report any fraud or suspected fraud in accordance with this policy.
- Co-Operate with investigating authorities during the course of investigation
- Maintaining full confidentiality of the fraud reported to the Ombudsperson subject to the need of the investigation or law
- Be a witness for criminal proceedings reported in the court of law
- Not to make frivolous, petty or false reports to the Ombudsperson

Ombudsperson

- Provide details of all frauds and suspected frauds reported during each quarter to the Disciplinary Committee
- Obtaining Disciplinary Committee approval for performing Preliminary Investigation.
- Perform the Preliminary Investigation within the stipulated timelines.
- Report the findings of the Preliminary Investigation to the Disciplinary Committee.

President

- Perform an initial Review of the fraud or suspected fraud that has been reported.
- Take Disciplinary Action against frivolous reporting

- Communicate Findings of initial review to the Ombudsperson.

Investigation Teams

- Derive their authority and access rights from the Disciplinary Committee when acting within the course and scope of their investigation.
- Perform investigations that shall be independent and unbiased both in fact and as perceived.
- Shall possess a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal professional standards.
- Upon completion of the investigation to hand over the investigation documents to the nominated member of the Disciplinary Committee.

Subject

- Subjects have a duty to co-operate with the Ombudsperson/Disciplinary Committee of any of the investigation teams during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- 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.

Employees

- Maintain high standards of personal integrity.
- Inform the Ombudsperson where he/she believes that there is an opportunity for fraud or any fraudulent act has taken place.
- Assist in any investigations by making available relevant information and by co-operating in interviews.

Section 4 : Appendix

4.1 Glossary

Disciplinary Committee : 'Disciplinary Committee' is a committee comprising of an Independent Director, President and a counsel

member who shall be a subject matter expert in the area under investigation.

- Business Associates** : 'Business Associates' include all customers, agents, dealers, suppliers and other vendors that conduct business with GSML
- Employee** : 'Employee' means every employee be it full time or part time employees of the Company.
- Group 1 Employees** : 'Group 1 Employees' shall include all employees within the grades M0 and M1 (President, Vice Presidents, Chief General Managers and General Managers).
- Investigation Team** : 'Investigation Team' shall comprise of any person or persons authorized, appointed, consulted or approached by the Disciplinary Committee to assist in the investigation process under the policy.
- Ombudsperson** : 'Ombudsperson' is a person who shall act as a trusted intermediary the management and others for the purposes of reporting and investigation of fraudulent or suspected fraudulent activities.
- Protected Disclosures** : 'Protected Disclosure' means any communication made in good faith that disclosures or demonstrates information that may evidence unethical or fraudulent activity.
- Whistleblower** : An employee or other stakeholder making a protected disclosure under this policy is commonly referred to as a complainant ('Whistleblower'). The Whistleblower's role is to report and not act as an investigation team. Although the whistleblower is not expected to prove the truth of an allegation, he/she needs to demonstrate to the Ombudsperson that there are sufficient grounds for concern.
- GSML/Company** : 'GSML' refers to Gobind Sugar Mills Limited.