



**WHISTLE BLOWER POLICY**  
**(GUJARAT TERCE LABORATORIES LIMITED)**

(Amended on 11<sup>th</sup> February, 2019 as Approved by Board of Directors in their Meeting held on  
11th February 2019)

**Applicable (w.e.f. from April 01, 2019)**

**OBJECTIVE:**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior and it is also committed to complying with applicable laws in confirmation with its Code of Conduct. The Company has formulated a whistle blower policy which entitles its directors/employees to report violations of laws, rules, regulations or unethical conduct, non-compliances, wrongdoing to the management are addressed appropriately and promptly. Through this policy directors / employees of the Company will be able to raise genuine concerns or grievances or violation or potential violations, free of any fear of retaliation.

**APPLICABLE PROVISIONS AND SCOPE:**

Whistle Blower Policy is formulated in terms of the requirements of section 177 of the Companies Act, 2013, Circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated October 29, 2004, Circular no. CIR/CFD/POLICY CELL/2/2014 on April 17, 2014 and Circular No. SEBI/LAD-NRO/GN/2018/59 on December 31, 2018 issued by Securities and Exchange Board of India (SEBI), Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 read with SEBI (Listing Obligations and Disclosure Requirements), 2015 and amendment thereto.

Section 177(9) of the Companies Act, 2013 ('the Act') provides that every listed company shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed. Sub-section (10) of section 177 provides that the vigil mechanism under sub-section (9) shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Further, in terms of Schedule IV in terms of Section 149(8) of the Act, it is the duty of Independent Director to ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.

Securities and Exchange Board of India has issued a Circular no. SEBI/LAD-NRO/GN/2015-16/013 on September 02, 2015. The said Circular provides that Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 would be applicable to all listed companies with effect from September 02, 2015.



Regulation 22 of SEBI (LODR) Regulations, 2015, the Company should devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

In terms of Regulation 22 regarding Whistle Blower Policy:

1. The Company shall establish a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct, law, rules or wrongdoing or non-compliance.
2. This mechanism should also provide for adequate safeguards against victimization of directors / employees or any other person who avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

In terms of Schedule V (10) (c) regarding disclosures in Annual report, the details of establishment of vigil mechanism shall be disclosed by the Company on its website and in the Board's report.

The Company provides necessary safeguards to all Whistle Blowers (a person(s)/party who raises a Concern under this policy) for making Protected Disclosures in good faith, in all the areas mentioned in the Code such as business with integrity, responsible corporate citizenship, illegal and unfair labor practices, trade practices and other laws.

#### **COVERAGE OF POLICY**

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Negligence causing substantial and specific danger to public health and safety
4. Manipulation of company data/records
5. Financial irregularities, including fraud, or suspected fraud
6. Criminal offence
7. Pilferation of confidential/propriety information
8. Deliberate violation of law/regulation
9. Wastage/misappropriation of company funds/assets
10. Breach of employee Code of Conduct or Rules
11. Reporting of leak of unpublished price sensitive information (UPSI).\*
12. Any other unethical, biased, favoured, wrongdoing, imprudent event

\*"unpublished price sensitive information" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: –



- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel

This policy does not cover the following indicative but not exhaustive aspects:

- Compensation related issues like quantum of increments, bonus payouts, etc.
- Queries relating to deduction of tax from salary, etc.
- Inappropriate administration services e.g. quality of food, malfunctioning of phones, etc.
- Malfunctioning of information technology assets like laptop, printers, etc.
- Queries relating to job openings, internal transfers, etc.

#### **REPORTING OF VIOLATION / SUSPECTED VIOLATION:**

1. Everyone is required to report to Mr. Aalap Prajapati or Mr. Natwarbhai Prajapati any genuine concerns or grievances or violation or potential violations / suspected violation of any applicable law and any violation / suspected violation of the Code of Conduct adopted by the Company.
2. Retaliation for reporting concerns, violations, etc. is strictly prohibited.
3. Retaliation includes adverse actions, harassment or discrimination in employment relating to reporting of a suspected violation.
4. Timely reporting will help the Company for proper investigation.
5. Failure to report is a violation of this Policy.
6. Any such failure will be addressed with appropriate disciplinary action which may include immediate termination of employment.
7. Reporting may include as requisite information regarding suspected violation like the persons involved, nature of suspected violation, the documents relating to suspected violation and period of suspected violation.
8. Director/Employee may be contacted in case he/she has not reported anonymously.

#### **REPORTING CHANNELS:**

Director/Employee must convey your concerns following channels:

E-mail: [aalap.prajapati@gujaratterce.com](mailto:aalap.prajapati@gujaratterce.com)

Written Complaint to: Whole Time Director as per below:

Name: Mr. Aalap Prajapati

122/2 Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar – 382729, Gujarat

Web portal address: [www.gujaratterce.in](http://www.gujaratterce.in)



In case of any disclosures pertaining to members of the Board of Directors of the Company, the Whistle-Blower shall address the Chairperson of the Audit Committee.

The relevant contact details are:

Written complaint to: Chairperson of Audit Committee, Gujarat Terce Laboratories Limited  
122/2 Ravi Estate, Bileshwarpura, Chhatral, Gandhinagar – 382729, Gujarat

**FALSE REPORTING:**

If at any time, it is revealed that the concern was raised with mala-fide intent, then the person reporting it will be subjected to disciplinary action, that may even include termination of employment

**INVESTIGATION BY THE COMPANY:**

1. Reporting of suspected violation will be appropriately investigated.
2. The information disclosed during the course of the investigation will remain confidential except as necessary to carry out investigation and take action.
3. Director/Employee has to cooperate during the investigation.
4. Failure to cooperate during investigation or giving incorrect / false information will be a ground for disciplinary action including termination of employment.
5. If it is found that violation has occurred, the Company will take appropriate action.

**NO ADVERSE ACTION:**

1. No adverse action will be taken against any director / employee for reporting or assisting during investigation, under this Policy.
2. The Company will consider any retaliation very seriously.
3. Any incident of retaliation will result into an appropriate disciplinary action against responsible including reprimand or termination of employment and may also be subject to penalties under civil /criminal code. However, in case of repeated frivolous complaints, suitable action against concerned director or employee will be taken including reprimand.
4. Any attempts to withhold, destroy, damage or tamper with evidence, or attempts to influence/coerce/threaten/entice a party participating in the investigation process, shall warrant a disciplinary action that may even include termination of employment. Furthermore, GTLL shall ensure that any employee assisting in the said investigation is protected to the same extent as a Whistle-Blower.

**CONFIDENTIALITY:**

The Company will keep confidential, subject to applicable laws and policies of the Company, all the information and other documents regarding reporting, investigation and enforcement under this Policy.

GTLL will strive to maintain confidentiality to the greatest extent possible and discussion of the concern should be limited to only those individuals with a “need to know.”

**RIGHT OF AMENDMENT:**

1. Any changes to this policy shall be tracked and documented for future reference and all changes shall be performed by the Audit Committee or the Board of Directors of the Company.
2. Policy may be amended or modified at the sole discretion of the Audit Committee or Board of Directors of the Company at any time for any reasons including to continue complying with applicable laws.
3. Compliance Officer shall undertake periodic review and update this policy to reflect applicable law(s) and /or latest notifications released by the regulating authorities from time to time.



**FORMAT OF E-MAIL OR WRITTEN COMMUNICATION FROM EMPLOYEE**

To,

Shri. \_\_\_\_\_

Executive Director \_\_\_\_\_

Subject: ..... (ex: complaints, grievance, feedback)

Enter Message: ..... (upto 500 characters)

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Thanking you,

Yours faithfully

Name of the Employee:

Employee Code: