

GSB FINANCE LIMITED

VIGIL MECHANISM AND WHISTLE BLOWER POLICY

1. PREFACE

GSB Finance Limited (the “Company”) is committed to conduct its business with integrity, including in accordance with all applicable laws and regulations. The Company’s expectations with respect to business ethics are contained in the GSB Finance Limited Code of Conduct (“the Code”). Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined.

Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 inter-alia, provides requirement for certain classes of companies to establish a vigil mechanism for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the law.

The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, inter alia, contains a similar requirement and provides for the listed entity to 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 line with the commitment and legal requirement, the Company has formulated this Vigil Mechanism and Whistle Blower Policy for the directors and employees to report genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct.

Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism and also make provisions for direct access to the Chairperson of Board of Directors in exceptional cases.

2. POLICY OBJECTIVES

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees and directors who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil Mechanism and Whistle Blower Policy provides a channel to the employees and directors to report to the management concerns about unethical behavior, actual or suspected fraud.

3. SCOPE OF THE POLICY

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company involving:

- a) Misuse or abuse of authority
- b) Breach of Company’s Code of Conduct
- c) Breach of terms and conditions of employment and rules thereof
- d) Gross or Wilful negligence causing substantial and specific danger to health, safety and environment

- e) Manipulation of company data/records
- f) Intentional financial irregularities, including fraud, or suspected fraud
- g) Pilfering of confidential/propriety information
- h) Deliberate violation of law/regulation
- i) Gross wastage/misappropriation of company funds/assets

This policy neither releases employees from their duty of confidentiality in the course of their work, nor can it be used as a route for raising malicious or unfounded allegations or a grievance about a personal situation.

4. DEFINITIONS

"Employee" means all the present employees and whole-time directors of the Company.

"Protected Disclosure" means a concern raised by an employee or group of employees of the Company through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity. It should be factual and not speculative in nature.

"Subject" means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

"Whistle Blower" means an employee/director or group of employees/directors who make a Protected Disclosure under this Policy.

"Ethics Officer" means an officer of the company nominated by the Company to receive protected disclosure from Whistle Blowers and to conduct detailed investigation under this policy, maintain record thereof, placing the same before the Audit Committee for its disposal and informing the Whistle blower the results thereof.

"Company" means GSB Finance Limited.

5. ELIGIBILITY

All the directors and employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

6. PROCEDURE

All Protected Disclosures should be reported in writing by the Whistle Blower as soon as possible, not later than 30 days after he becomes aware of the same and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted under a covering letter signed by the Whistle Blower in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower policy" or sent through email with the subject "Protected disclosure under the

Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, the protected disclosure will be dealt with as if a normal disclosure.

All Protected Disclosures should be addressed to the Ethics Officer of the Company. Protected Disclosure against the Ethics Officer and the Protected Disclosure against the Chairman of the Company can be addressed to the Chairman of the Audit Committee. The contact details of Ethics Officer are as under:

Name and Address of the Ethics Officer	Mr. Vivek Kumar Singhal: 301,2nd Floor, Eskay Plaza, Anand Talkies Road, Raipur (CG) 492001
--	---

The Company may appoint ‘additional Ethics Officer’ or ‘Deputy Ethics officer’ to assess the Ethics Officer(s) in the procedure.

In order to protect the identity of the Whistle Blower, the Ethics Officer will not issue any acknowledgement to the Whistle Blower and they are advised not to write their name / address on the envelope or enter into any further correspondence with the Ethics Officer.

Anonymous / Pseudonymous disclosure shall not be entertained by the Ethics officer.

On receipt of the Protected Disclosure, the Ethics officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

The record will include:

- Brief facts;
- Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- Whether the same Protected Disclosure was raised previously on the same subject;
- Finding and details of actions taken by Ethics Officer/ Chairman for processing the complaint.

7. INVESTIGATION

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Officer of the Company / Chairman of Audit Committee. Ethics Officer may at its discretion consider involving any other officer of the Company and/or an outside agency for the purpose of investigation.
- b. The decision to conduct an investigation by itself is not an acceptance of the accusation and is to be treated as a neutral fact-finding process.

- c. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of the investigation.
- d. Unless there are compelling reasons not to do so, Subjects will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- e. Subjects shall have a duty to co-operate with the Ethics Officer / Audit Committee during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- f. Subjects shall have right to access any document / information for their legitimate need to clarify / defend themselves in the investigation proceedings.
- g. Subjects shall 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.
- h. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- i. Ethics Officer shall normally complete the investigation within 90 days of the receipt of Protected Disclosure.
- j. In case of allegations against subject are substantiated by the Ethics Officer in his report, the Audit Committee shall give an opportunity to Subject to explain his side.

8. DECISION

If an investigation leads the Ethics Officer / Chairman of the Board of Directors to conclude that an improper or unethical act has been committed, the Ethics Officer shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy, shall adhere to the applicable personnel policy for staff conduct and disciplinary procedures.

9. REPORTING

The Ethics Officer shall submit a report to the Chairman of the Board of Directors on a regular basis about all Protected Disclosures referred to him / her since the last report together with the results of investigations, if any.

10. CONFIDENTIALITY

The Whistle Blower, Ethics Officer, Board of Directors, the Subject and everybody involved in the process shall:

- Maintain confidentiality of all matters under this Policy
- Discuss only to the extent or with those person(s) as required under this policy for completing the process of investigations.
- Not keep the papers unattended anywhere at any time.
- Keep the electronic mail(s) / files under password / safe from unauthorized access.

11. PROTECTION

No unfair treatment will be meted out to a Whistle Blower by virtue of his / her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Adequate safeguards will be provided to Whistle Blowers 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 Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

Whistle Blower may report any violation of the above clause to the Chairman of the Board of Directors, who shall investigate into the same and recommend suitable action to the management.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.

Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

The complainant before making a complaint should have a reasonable belief that an issue exists and he should act in good faith. Any complaint not made in good faith as assessed as such by the Ethics Officer / Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

12. RECORD KEEPING

Records pertaining to the complaint shall be maintained by the team responsible for it. Records shall be maintained as per the extant policy of the Company, currently defined as 7 years.

13. DISSEMINATION OF INFORMATION ABOUT THE POLICY

Ethics Officer shall lay down an appropriate mechanism to communicate the Policy periodically to the Employees and for its suitable display on the intranet of the Company and on the website of the company. For better understanding of the Policy by the Employees, FAQs and their responses would also be suitably displayed. Queries/clarifications under the Policy would be handled by the Ethics Officer or any other person nominated by him for the purpose.

14. AMENDMENT

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.

15. FALSE COMPLAINTS

The protection from any unfair treatment as a result of the complaint, is essential part of the policy but misuse of this protection by making frivolous and false complaints with mala fide intentions and / or for wrongful gains is strictly prohibited. Any Person who makes such complaints with mala fide intentions and which would subsequently found to be false will be subject to strict disciplinary action.

16. AMENDMENT

The Board of Directors may subject to applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace this policy entirely with a new policy. However, no such amendment or modification shall be inconsistent with the provisions of any applicable law for the time being in force.
