

VIGIL MECHANISM / WHISTLE BLOWER POLICY
(Pursuant to Section 177 of the Companies Act, 2013 and Regulation 22
of the Listing Regulations)

1. Background

Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairman of the Audit Committee in appropriate or exceptional cases.

Regulation 22 of the SEBI LODR Regulations, inter alia, provides to establish a mechanism called 'Whistle Blower Policy' for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct, or any misconduct.

Under these circumstances, our Company Gautam Gems Limited ("GGL"), being a listed Company has established a Whistle Blower Policy / Vigil Mechanism and by way of formulating a policy for the same.

2. Scope

This Policy covers frauds, financial irregularities, malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, leak of any unpublished price sensitive information, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

3. Definitions

In this Policy, unless the context otherwise requires:

“Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, financial irregularities, any misconduct, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.

“Audit Committee” means the committee constituted by the Board of Directors of Gautam Gems Limited in accordance with Section 177 of the Companies Act 2013, which has responsibility for supervising the development and implementation of this Policy.

“Employee” shall mean all individuals on full-time or part-time employment with the Company, with permanent, probationary, trainee, retainer, temporary or contractual appointment and also includes the Board of Directors of the Company.

“Investigator” means those persons authorized, appointed, consulted or approached by the Audit Committee to investigate the reported matter;

“Protected Disclosure” means any communication made in good faith by the whistle blower that discloses or demonstrates information that may indicate evidence towards unethical or improper activity.

“Subject” means, a person who is, the focus of investigative fact finding either by virtue of Protected Disclosure made or evidence gathered during the course of an investigation.

“Whistle blower” means any employee of the Company making a protected disclosure/Complaint under this Policy.

4. Eligibility

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company

5. Receipt and Disposal of Protected Disclosures

All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.

The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be 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, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, no acknowledgement to the complainants will be issued and they are advised neither to write their name / address on the envelope nor enter into any further correspondence. The Investigator shall ensure that in case any further clarification is required he / she will get in touch with the complainant.

Anonymous / irrelevant disclosure shall not be entertained.

The Protected Disclosure should be forwarded under a covering letter signed by the complainant.

All Protected Disclosures / Grievances should be addressed to the Chairman of the Audit Committee. The contact details are as under:-

Gautam Gems Limited

3rd Floor, Office -301
Sumukh Super Compound,
Vasta Devadi Road,
Surat - 395004, Gujarat
Email: complianceggl@gmail.com

On receipt of the protected disclosure the Chairman of the Audit Committee or any other person authorised by him, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not.

He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action.

The record will include: a) Brief facts; b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof; c) Whether the same Protected Disclosure was raised previously on the same subject; d) Details of actions taken for processing the complaint e) Findings of the Audit Committee f) The recommendations of the Audit Committee/ other action(s).

The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

6. Investigation

All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.

The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.

Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.

Subject(s) have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistle Blower.

Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).

Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.

Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

7. Decision and Reporting

If an investigation leads to conclude that an improper or unethical act has been committed, the Chairman of the Audit Committee 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 or staff conduct and disciplinary procedures.

The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

8. Secrecy / Confidentiality

The complainant, Members of Audit Committee, 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 persons as required under this policy for completing the process of investigations. Not keep the papers unattended anywhere at any time, Keep the electronic mails / files under password.

9. Protection for Whistle Blowers

If a Whistleblower raises concern under this policy, he/she will not be under any risk of suffering any form of retaliation. The Company is committed to protecting the whistleblower from any form of retaliation or adverse action due to disclosure by them. Whistleblower will not be under risk of losing his/her job or suffer loss in manner like transfer, demotion, refusal of promotion.

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

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

The protection is given provided that: -

- a) The disclosure is made in the good faith.
- b) Whistleblower believes that information and allegations contained in it are substantially true.
- c) Whistleblower is not acting for personal gain.

10. Leak of Any Unpublished Price Sensitive Information

If any employee of the Company come across any information or suspect any instance of leak of price sensitive information by any other employee or board member or any connected person; he or she shall report such instance with brief particular of employee involved in such irregularities, detail of unpublished price sensitive information, along with documentary supporting. The reporting shall be made to the Chairman of the Audit Committee in a sealed cover or to the Managing Director of the Company.

The Chairman of the audit committee or the Managing Director as the case may be shall forthwith enquire into the matter, ascertain sensitivity or magnitude of the event and take appropriate actions against the accused in accordance with the code of conduct for prevention of Insider Trading.

11. Disclosures

- The company shall disclose such policy in its Board's Report & shall also display on its website.
- Corporate Governance Report of the company shall disclose about such Policy & affirm that no personnel have been denied access to the audit committee.