

## WHISTLE BLOWER POLICY & VIGIL MECHANISM

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### BACKGROUND OF THIS POLICY

In this ever changing and dynamic environment, carrying business to meet customer expectations/every stake holders (both external and Internal) is never easy without highest ethical behavior and corporate governance.

The possibility of unethical behavior/ frauds/malpractices/wrongful acts/Employee Misconduct/Illegal Acts etc by various people in the organization's operations can never be ruled out and ignorance of this possibility demonstrates poor corporate governance with potentially disastrous consequences. The happenings of this unethical behavior/ frauds/malpractices/wrongful acts/Illegal Acts etc at any level of organization hierarchy can only come to the knowledge of top management when there exists proper mechanism with the organization to report the same to top management by the person without fear who is aware of the same.

However, fear of retaliation and ignorance of where to report unethical behavior/ frauds/malpractices/wrongful acts/Illegal Acts etc usually discourage a potential whistleblower from reporting the same. Therefore it's top management responsibility to a create such comfortable environment & confidence to all the persons dealing with the company to fearlessly report any unethical behavior/ frauds/malpractices/wrongful acts to the designated authority which is the first step towards good, effective & efficient corporate governance.

In a view to create such environment management has taken initiated the Implementation of Whistleblower Policy.

Additionally, Section 177 (9) of the Companies Act, 2013 mandates the following classes of companies to constitute a vigil mechanism –

- A. Every listed company;
- B. Every other company which accepts deposits from the public;
- C. Every company which has borrowed money from banks and public financial institutions in excess of Rs. 50 crores.

Further, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges has been recently amended which, *inter alia*, provides for a mandatory requirement for all listed companies to establish **Whistleblower Policy**

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### PURPOSE OF THIS POLICY

As a Listed Company, **GENNEX LABORATORIES LIMITED** is committed to Integrity in all the dealings with financial markets, other stake holders of the company directly or indirectly. As a matter of companies objective and commitment towards highest standards of good and effective corporate governance, Company is adopting this Whistleblower Policy for the first time to receive and address the concerns or complaints regarding questionable actions against any person of the company, reporting fraudulent financial information, Any illegal Acts, Employee Misconduct, Frauds or suspected fraud or violation of company's code of conduct or ethics policy and any other matters relating to the company which are against the companies code of conduct , policies & values.

The company expects Highest Ethical Behavior, Integrity, and commitment by all the parties/stake holders/ employees who are dealing with the company by whatever the means and mode to follow and depict companies code of conduct in all their acts and deeds relating to the company.

Every person dealing with the company by whatever the manner has the moral responsibility to promptly report any breach of Companies Code of conduct, policies & Values by any person to the top management of the company. The purpose of this Policy is to provide a framework to promote responsible and secure whistle blowing.

### APPLICABILITY:

This Policy applies to all the employees of **GENNEX LABORATORIES LIMITED** working across the company project locations, branches, customers, stake holders, and/or third party intermediaries such as agents and consultants to use this policy and procedure to report, submit confidential and /or anonymous complaints.

### EFFECTIVE DATE:

This policy comes into force with effect from 14<sup>th</sup> November, 2015.

### OBJECTIVE & AIM OF THIS POLICY

This Policy neither releases employees, customers, Other Stake holders and/ from their duty of confidentiality in the course of their dealing with the company. So objective & Aim of this policy is to encourages and enables employees or customers or other stakeholders & third-party intermediaries who are dealing with company to raise serious concerns timely or as and when they are aware to the top management about the unethical behavior/frauds/malpractices/wrongful acts/Employee Misconduct/ illegal acts or any other happenings within the company which are deterrent to the company's reputation.

### TYPE OF ACTIVITIES COVERED IN THIS POLICY

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1. Conduct which is an offence or a breach of law.
2. Bullying, harassment, Sexual, physical or other abuse of clients/employees/third party intermediaries/all stake holders of the company.
3. Possible fraud and corruption.
4. Violation of law (whether by act or omission) including statutory noncompliance
5. Breach of contractual obligations
6. The unauthorized use of financial resources of the company.
7. Health and safety risks, including risks to the public as well as other employees
8. Actions which are unprofessional, inappropriate or conflict with a general understanding of what is rights and wrong.
9. Malpractice, impropriety, statutory non-compliance or wrongdoing.
10. Breach of any policy, rules, codes promulgated or adopted by the Company
11. Any other unethical or improper conduct

Note: (These are sample example areas and List will be updated from time to time)

### **TYPE OF ACTIVITIES NOT COVERED IN THIS POLICY**

1. Willful wrong complaints, Frivolous and bogus complaints;
2. Business and financial decisions taken by the Company that do not involve wrongdoing or illegality;
3. Matters which are already addressed pursuant to disciplinary or other Procedures of the Company.
4. Concerns related to Career progression, Personal Grievances Etc.

### **THE COMPANY'S CONFIDENTIALITY & PROTECTION TO "WHISTLERBOWLER":**

1. Company is committed to protect employees, customers and/or third-party intermediaries wishing to raise/raised a concern or complaint about serious irregularities within the Company against any harassment, victimization or any other form of retaliation( whether Active or Passive) or any other unfair employment practice being adopted against Whistleblowers ( I.e. any unfair practice like 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/her duties/functions including making further Protected Disclosure).

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2. Any Violation to the above can be reported by Whistler bowler directly to Chairman of Audit Committee immediately without any delay. Further investigation in this regard will be taken care by Audit Committee.
3. Any other Employee/customer/other stake holders assisting in the said investigation shall also be protected to the same extent as the Whistleblower.
4. If the Whistleblower wishes to be anonymous, the Company will not disclose the identity of the Whistleblower unless legally required or when anonymity is impractical for the purposes of dealing with the Complaint.
5. The Company and the concerned officer will not disclose the existence or contents of Complaint to anyone other than the Audit Committee and those persons who are required to know for the purpose of dealing with the Complaint or any action required to be taken pursuant thereto. The commitment of confidentiality will not apply when the relevant information is legally required to be disclosed.

### **REPORTING MECHANISM**

1. The Company will appoint from time to time, one or more senior Employees, who are respected for their fairness, independence and integrity, to be the officer under this policy Refer below attached list of such designated officers and their contact details.
2. Whistleblower who wish to raise the concern or bring notice any of the activities mentioned in this policy to be reported need to send details of complaint with the below information to the extent possible thru any mode of communication which is allowable ( Like Email, Letter thru courier etc).
  - A. Details of the employees/ parties involved.
  - B. Division/Location where such reportable activities are taking place.
  - C. Periodicity from when it is happening along with date.
  - D. Brief note about the matter involved in the complaint
  - E. Attaching the evidence which is available ( in case of confirmed activity of reportable matter) or mention where evidence is available.
  - F. Type of concern ( like Fraud/Employee Misconduct/Illegal Act etc)
  - G. Mention the names of the people whom to contact for more information about the matter in the complaint.
  - H. Prior efforts made to address this issue, mention the names of the people to whom it is reported earlier.
  - I. Any other useful information which helps in investigation.

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### **DUTIES & REPSONSIBILITIES OF WHISTLERBOWLER UNDER THIS POLICY**

1. All parties involved to whom this policy applies shall adhere to such procedures and maintain confidentiality with regard to all the matters & persons involved in the subject matter of the Complaint. As there are chances for loss of evidence or destroy the evidence by the any persons involved in the subject matter.
2. Bring any reportable matters to the attention of the Company Management as soon as you become aware of the same as the delay in reporting may lead to loss of evidence and also financial loss for the Company.
3. Ensure Whistleblower have sufficient basis for making a Complaint.
4. Avoid unnecessary anonymity when making a Complaint.
5. Follow the procedures prescribed in this policy for making a Complaint
6. Co-operate with the investigating authorities as and when required.

### **DUTIES AND RESPONSIBILITY OF DESIGNATED OFFICER.**

1. On receipt of the complaint, the designated officer should start investigation without any delay by appointing any trustful senior official of the organization as investigator or if required hire outside investigating agency for conducting investigation in the matter involved in complaint ( this need to be decided on case to case basis after appropriate approval from top management).
2. Status of the investigation proceedings need to be informed to the Whistleblower in reasonable & Audit Committee on regular intervals.
3. All information disclosed during the course of the investigation will remain kept confidential.
4. The designated officer shall send a report to the Chairperson of the Audit Committee and the Company's MD at the end of every calendar quarter, listing the Complaints received & resolved during the quarter, the status of open Complaints and brief findings with actions taken on Complaints closed during the quarter. The report may also contain recommendations for improvement in the procedures or amendments to this policy.

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### **DUITES & RESPONSIBILTY OF AUDIT COMMITTEE.**

1. The Chairperson of the Audit Committee will table the reports received from the Designated Officer before the Board of Directors of the Company and seek their guidance Where ever appropriate.
2. Based on the findings and confirmations from the Investigation proceedings Audit committee existence of such subject matter mentioned in the complaint need to adopt appropriate disciplinary action against such persons. Such disciplinary action may include (but not be limited to) termination of services, denial of increments and debarring from doing business with the Company.
3. Advising and ensuring the implementation of such required procedures & internal controls by the company management from time to time for minimizing such type of acts which came to notice, for proper functioning of this policy.

### **DOCUMENT RETENTION:**

The company shall maintain all the documents relating to this policy, all the complaints received and resolved during the quarter along with all the details of the complaint, action taken, Audit committee comments and directions and all other relevant material relating to each complaint for period of 7 years from the date of receipt of complaint.

### **COMPANY RIGHTS FOR AMENDMENT.**

The Company reserves all the rights to amend, suspend or rescind & modify this policy in full or part at any time without any information to any one or without assigning any reason to anyone. And all the amendments or modifications made to this policy will be effective and bind all the parties to whom this policy applies once it is notified by the company's management with the due course of time.

### **DISCLAIMER**

Company has made all its best efforts to define detailed procedures for implementation of this policy effectively, there may be situations where certain matters are not addressed or there may be ambiguity in this policy & procedures. Such difficulties or ambiguities will be resolved as and when it is brought to the notice of the top management by anyone to whom this policy applies. The Company may, from time to time, frame and maintain appropriate procedures to fulfill the objectives and commitments of this policy and meeting the company's objective of managing the organization with good, effective & efficient corporate governance.