GOA SHIPYARD LTD

CMD /40/ 2015 dated 13 Oct 2015

WHISTLE BLOWER POLICY

Whistle Blower policy enclosed has been adopted by the Company and is promulgated herewith.

Vasco- da- Gama

Chairman & Managing Director

Dist: D4

Encl: Whistle Blower Policy

WHISTLE BLOWER POLICY

1. Preface:

1.1 This policy is formulated:

i. To provide an opportunity / avenue to employees to raise concerns and to access in good faith the Audit Committee to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in Company.

ii. To provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those employees.

1.2 The Ministry of Heavy Industries and Public Enterprises, Department of Public Enterprises vide its Office Memorandum No. 18(8)/2005-GM dated 22nd June 2007 and vide Office Memorandum No. 18(8)2005-GM dt. 14.05.2010 has issued guidelines on Corporate Governance for Central Public Enterprises (CPSEs). As per the guidelines, Company may promulgate **'Whistle Blower Policy'** to establish a mechanism for its employees to report to the Management on unethical behavior, actual or suspected fraud or violation of the Company's General Guidelines on conduct or ethics policy.

1.3 The objective is:

i. To provide necessary safeguards for protection of employees from reprisals or victimization for whistle blowing in good faith and to provide opportunity to employees to access in good faith to the Competent Authority in case, they observe unethical and improper practices or any other wrongful conduct in the Company.

ii. To prohibit managerial personnel from taking any adverse personnel action against those employees.

1.4 A disciplinary action against the Whistle Blower, which occurs on account of poor job performance or misconduct by the Whistle Blower and which is independent of any disclosure made by the Whistle Blower, shall not be protected under this policy.

1.5 For the sake of absolute clarity, this 'Whistle Blower Policy' does not tantamount in any manner to dilution of the Vigilance mechanism in GSL. On the contrary, over and above the existing Vigilance Mechanism, any Protected Disclosure made by an employee under this policy, if perceived to have a vigilance angle, shall be referred to the Chief Vigilance Officer (CVO), GSL, as per the existing practice.

2. Definitions;

2.1 **"GSL"** means Goa Shipyard Limited.

2.2 **"Audit Committee"** means the Audit Committee of the Board constituted by the Board of Directors of GSL.

2.3 **"Competent Authority"** means the Chairman & Managing Director of GSL and will include any person(s) to whom he may delegate any of his power as the Competent Authority under this policy from time to time. In case of conflict of interest (CMD being the subject person), Competent Authority means Chairman- Audit Committee.

2.4 **"Employee"** means every employee of the Company whether working in India or abroad including the Directors in the employment of the Company.

2.5 **"Improper Activity"** means unethical behavior, actual or suspected fraud or violation of the Company's general guidelines on conduct or ethics policy by any employee of GSL.

2.6 **"Investigators"** mean those persons authorized, appointed, consulted or approached by the Chairman & Managing Director / Competent Authority in. connection with conducting investigation into a protected disclosure and include the Auditors of GSL.

2.7 **"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may be treated as evidence of unethical or "Improper Activity".

2.8 **"Screening Committee"** means a Committee constituted under Whistle Blower Policy of GSL, comprising the Chairman & Managing Director or in his absence, a Functional Director as nominated by CMD **AND** Chairman, Audit Committee or in his absence, a member of the Audit Committee as nominated by the Chairman of Audit Committee.

2.9 **"Service Rules"** means the GSL's Conduct, Discipline and Appeal Rules, 1977 or as per provisions of Goa Shipyard Officer's /Supervisor's Conduct, Discipline and Appeal Rules, 1979' Standing Orders as applicable.

2.10 **"Subject"** means an employee - Executive / Non-Executive against or in-relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

2.11 **"Whistle Blower"** means an Employee making a Protected Disclosure under this policy.

3. **Eligibility:** All employees of GSL are eligible to make "Protected Disclosures".

4. **Guiding Principles:**

4.1 Protected disclosures shall be acted upon in a time bound manner.

4.2 Complete confidentiality of the Whistle Blower will be maintained.

4.3 The Whistle Blower and / or the person(s) processing the Protected Disclosure will not be subjected to victimization.

4.4 Evidence of the Protected Disclosure will not be concealed and appropriate action including disciplinary action will be taken in case of attempts to conceal or destroy evidence.

4.5 **'Subject'** of the Protected Disclosure i.e. Employee against or in relation to whom a protected disclosure has been made will be provided an opportunity of being heard.

4.6 The Whistle Blower should bring to attention of the Competent Authority at the earliest any improper activity or practice. Although they are not required to provide proof, they must have sufficient cause for concern.

4.7 The Whistle Blower shall co-operate with investigating authorities, maintaining full confidentiality.

5. **Whistle Blower- Role & Protection:**

Role:

5.1 The Whistle Blower's role is that of a reporting party with reliable information.

5.2 The Whistle Blower is not required or expected to conduct any investigation on his own.

5.3 The Whistle Blower may also be associated with · the investigation, if the case so warrants. However, he shall not have a right to participate.

5.4 Protected Disclosure will be appropriately dealt with by the Competent Authority.

5.5 The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons.

Protection:

5.6 Genuine Whistle Blowers will be accorded protection from any kind of harassment /unfair treatment / victimization. However, motivated and frivolous disclosures shall be discouraged.

5.7 If the Whistle Blower is required to give evidence in criminal or .disciplinary proceedings, arrangement should be made for the Whistle Blower to receive advice about the procedure. Expenses incurred by the Whistle Blower in connection with the above, towards travel etc. will be reimbursed as per normal entitlements.

5.8 A Whistle Blower may report any violation of clause 5.7 above to the Competent Authority, who shall investigate into the same and take corrective actions as may be required.

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

6. Procedures – Essentials And Handling of Protected Disclosure:

6.1 The Protected Disclosure / Complaint should be attached to a letter bearing the identity of the Whistle Blower / complainant i.e. his / her Name, Personal ID and Location, and should be inside an envelope, which should be **closed / secured / sealed**. The envelope thus secured / sealed should be addressed to the Competent Authority and should be **super scribed "Protected Disclosure"**. If the envelope is not superscripted nor closed/ sealed / secured, it will not be possible to provide protection to the Whistle Blower as specified under this policy.

6.2 If the Whistle Blower believes that there is a conflict of interest between the Competent Authority and the Whistle Blower, he may send his protected disclosure directly to the Chairman of Audit Committee, at the address mentioned at Para 6.7.

6.3 Anonymous or pseudonymous Protected Disclosure shall not be entertained.

6.4 Protected Disclosure should either be typed or written in legible hand writing in English, Hindi, or Regional language of the place of employment of the Whistle Blower and should provide a clear understanding of the Improper Activity involved/issue/ concern raised. The reporting should be factual and not speculative in nature. It must contain as much relevant information as possible to allow for preliminary review and proper assessment.

6.5 Investigation into any Improper Activity, which is the subject matter of an inquiry or order under the Public Servants' Inquiries Act, 1850 or under the Commissions of Inquiry Act, 1952 will not come under the purview of this policy.

6.6 The contact details of the Competent Authority for addressing and sending the Protected Disclosure are as under:
The Chairman & Managing Director,
Competent Authority,
Whistle Blower
Mechanism Goa
Shipyard Limited,
Goa : 403802

6.7 The contact details for addressing a protected disclosure to the Chairman, Audit

Committee are as follows:

Chairman, Audit
Committee C/o
Company Secretary,
Goa Shipyard Limited
Goa: 403802

6.8 The Competent Authority shall mark the envelope containing the Protected Disclosure to a dedicated Confidential Section, which shall maintain a record thereof and shall submit the same to the Screening Committee.

6.9 The Screening Committee shall weed out frivolous complaint(s). The Protected Disclosure(s), which require(s) further investigation, shall be forwarded to the investigator(s) nominated for this purpose, through the Confidential Section.

6.10 The Screening Committee shall Endeavour to meet as early as possible, preferably within 15 days of receipt of a Protected Disclosure.

7. Investigation and Role of Investigator:

Investigation:

7.1 Investigations shall be launched if the Screening Committee is satisfied after preliminary review that:

a) The alleged act constitutes an improper or unethical activity or conduct, and

b) The allegation is supported by information and specific enough to be investigated or in cases where the allegation is not supported by specific information; it is felt that the concerned matter deserves investigation.

7.2 The decision taken by the Screening Committee to conduct an investigation is by itself not to be construed as an accusation and is to be treated as a neutral fact finding process.

7.3 The identity of the subject(s) and the 'Whistle Blower' will be kept confidential.

7.4 Subject(s) will normally be informed of the allegations at the commencement of a formal investigation and will be given opportunities for providing their inputs during the investigation.

7.5 Subject(s) is / are duty bound to co-operate with the Investigator(s) during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

7.6 Subject(s) has / 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 Subject(s).

7.7 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in an 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.

7.8 The investigation shall be completed normally within 45 days of the date of receipt of the protected disclosure or such extended period as the Competent Authority may permit for reasons to be recorded.

7.9 Subject(s) has / have a right to be informed of the outcome of the investigation.

Role of Investigator:

7.10 Investigator(s) is /are required to conduct a process towards fact-finding and analysis. Investigator(s) shall derive their authority from the Competent Authority when acting within the course and scope of their investigation. The Investigator(s) shall submit his / their report to the Competent Authority.

7.11 All Investigators shall perform their role in an independent and unbiased manner. Investigator is duty bound to maintain fairness, objectivity, thoroughness, ethical behavior and observance of professional standards.

8. Action:

8.1 If the Competent Authority is of the opinion that the investigation discloses the existence of improper activity, which is an offence punishable as per provisions of Goa Shipyard Officer's /Supervisor's Conduct, Discipline and Appeal Rules, 1979' Standing Orders, the Competent Authority may direct the concerned authority to take disciplinary action under applicable Service Rules / Standing Orders including referring the matter to Chief Vigilance Officer of GSL for appropriate action.

8.2 The Competent Authority shall take such other remedial action as deemed fit to rectify the improper activity mentioned in the protected disclosure and / or to prevent the re-occurrence of such improper activity.

8.3 If the investigation discloses that no further action on the protected disclosure is warranted, the report shall be filed in the Confidential Section.

8.4 In case of malicious or baseless disclosure, appropriate disciplinary action will be initiated against the Whistle Blower.

9. Reporting and Review:

The Competent Authority shall submit a Quarterly Report of the protected disclosures, received and of the investigation conducted, and action thereof taken to the Audit Committee for review.

10. Notification:

All chief General Manager / General Managers / Departmental Heads etc. shall notify & communicate the existence and contents of this policy to the employees of

their department. This Whistle Blower Policy shall be prominently displayed on all Notice Boards of the Company, circulated to all the registered union. This policy, including amendments thereof, shall also be made available on GSL Intranet Portal.

11. Annual Affirmation:

GSL shall annually affirm that it has not denied any employee access to the Audit Committee and that it has provided protection to the Whistle Blower from any adverse action. The affirmation shall form part of Corporate Governance report as attached to the Annual Report of the Company.

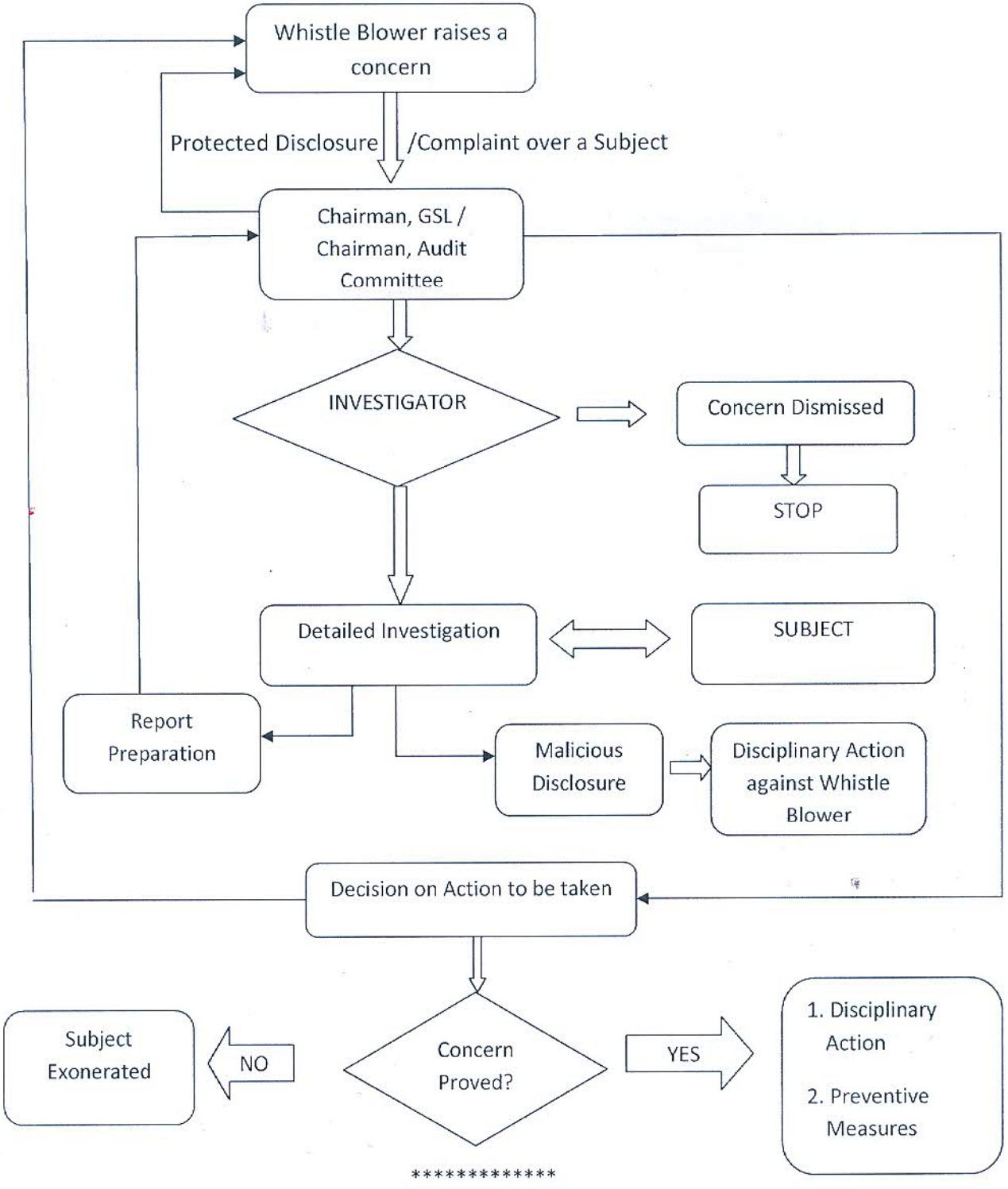
12. Interpretation:

In case of interpretation of any proviso / rule, CMD is the Competent Authority, whose decision shall be final and binding.

13. Amendments:

Board reserves the right to amend / alter or add / delete any proviso at any time. Such modifications shall be reported to the Audit Committee also.

WHISTLE BLOWER FRAMEWORK



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