

VIGIL MECHANISM POLICY

I. BACKGROUND

1. Section 177 of the Companies Act, 2013 requires every listed company to establish a vigil mechanism for the directors and employees to report genuine concerns. Such a vigil mechanism 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.
2. Effective October 1, 2014, Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for a mandatory requirement for all listed companies to establish a vigil mechanism for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the company's code of conduct and business ethics.

II. INTERPRETATIONS

1. "Alleged Wrongful Conduct" shall mean violation of law, misuse or abuse of authority, fraud or suspected fraud, any deliberate concealment of such abuse of fraud, infringement of Company's rules, misappropriation of funds, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority or violation of the company's code of conduct or ethics policy.
2. "Audit Committee" means the audit committee constituted by the Board of Directors of the Company.
3. "Board" means the Board of Directors of the Company.
4. "Codes" means Codes of Conduct for Directors and Employees of the Company.
5. "Company" means Golden Crest Education & Services Limited
6. "Director" means all the present directors of the Company.
7. "Employee" means:
 - a. all the present employees and including directors who are in the employment of the Company.
 - b. Key Managerial Personnel and Senior Management Personnel as defined under relevant provisions of the Companies Act, 2013 or any amendment or modification thereof.
8. "Officer" means a Chairman of the Audit Committee of the Company. He has to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the result thereof.
9. "Protected Disclosure" means a concern raised by Director(s) or 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 activity covered under the definition of Alleged

Wrongful Conduct under the scope of the Policy with respect to the Company. However, the Protected Disclosures should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

10. "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.
11. "Whistle Blower" means Director(s) or an employee or group of employees of the Company who make a Protected Disclosure under this Policy and also referred in this policy as Complainant.

III. POLICY OBJECTIVES

1. A Whistle Blower (Vigil) Mechanism provides a channel to the Directors and the employees to report to the management, the concerns about any Alleged Wrongful Conduct. The mechanism provides for the manner of reporting, safeguards against victimization of person who use such mechanism.
2. This neither releases Directors and the 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 against people in authority and / or colleagues in general.

IV. SCOPE OF THE POLICY

1. This Policy covers any Alleged Wrongful Conduct and other matters or activity on account of which the interest of the Company is affected and is formally reported by Whistle Blower(s).
2. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
3. Whistle Blowers should not act on their own in conducting any investigative activities nor do they have right to participate in any investigative activities other than as requested by the Officer or the Chairman of the Audit Committee.
4. Protected Disclosure will be appropriately dealt with by the Officer.

V. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

1. Protected Disclosures should be reported in writing by the Whistle Blower 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 or in Hindi, to the Officer, or the Chairman of the Audit Committee under such circumstances as provided below.
2. 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". If the complaint is not super scribed and closed as mentioned above it will not be possible for the Officer to protect the Complainant and the Protected Disclosure will be dealt with as if a normal disclosure.

3. In order to protect identity of the Complainant, the Officer will not issue any acknowledgement to the Complainant and the Complainants are advised neither to write their name / address on the envelope nor to enter into any further correspondence with the Officer. In case of any further clarification, the Officer shall get in touch with the Complainant in a manner deemed fit.
4. Anonymous / pseudonymous disclosure shall not be entertained by the Officer.
5. The Protected Disclosure should be forwarded under a covering letter signed by the complainant to the Officer. The Officer shall detach the covering letter bearing the identity of the Complainant and process only the Protected Disclosure.
6. The manner of reporting of Protected Disclosures shall be as follows:
 - a. All Protected Disclosures except financial and accounting related matters should be addressed to the Officer of the Company.
 - b. Any Protected Disclosure which is made against the Officer or regarding any financial or accounting related matters of the Company should be addressed to the Audit Committee.
 - c. Any Protected Disclosure against the officer should be addressed to the Managing Director of the Company.
7. All Protected Disclosure(s) made under this policy will be recorded and investigated. The Officer will carry out the investigation either himself or by involving any employee of the company, except that officer against whom the disclosure has been made or those employees in the opinion of the Officer involved in such wrongdoing or by an outside agency, before referring the matter to the Audit Committee. The Officer shall prepare a report of its investigation and submit the same to the Audit Committee. The report will include:
 - a) Brief facts of the case;
 - b) Whether the same Protected Disclosure was raised previously by anyone and the subject thereof, and if so, the outcome thereof;
 - c) Details of actions taken by the Officer for processing the disclosure;
 - d) Reasons for delay in completing the investigation beyond 90 days, if any
 - e) Findings of the Officer;
 - f) The recommendations of the Officer.
8. All Protected Disclosure received by the Audit Committee against the Officer or either with respect to accounting or financing matter or otherwise; will be recorded and may be investigated by a person authorized by the Audit Committee.
9. Where any Protected Disclosure is received by the Audit Committee, the investigation may be undertaken by the Managing Director of the Company himself or may consider involving any other/additional employee of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

10. Where any Protected Disclosure is received by the Chairman of the Audit Committee, the report of the investigation shall be submitted to the Audit Committee.
11. The Audit Committee, if deems fit, may call for further information from the Officer. The investigation would not tantamount to an accusation and is to be treated as a neutral fact finding process. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as may be deemed fit. Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.
12. A quarterly report with number of complaints received under the Policy and their outcomes shall be placed before the Audit Committee.

VI. INVESTIGATION

1. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
2. The decision to conduct an investigation is not an accusation and is to be treated as a neutral fact finding process.
3. All Employee(s) including Director(s) concerned with the Protected Disclosure as may be identified by the Officer 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.
4. Such Employee(s) including Director(s) concerned with the Protected Disclosure shall have a duty to co-operate with the Officer or any of the other officers/agency appointed by it in this regard to the extent that such cooperation will not compromise self-incrimination protections available under the applicable laws.
5. Such Employee(s) including Director(s) concerned with the Protected Disclosure as may be identified by the Officer shall not interfere in Investigation. Such Employee(s) including Director(s) shall not withheld, destroy or tamper with the evidence and further the witness shall not be influenced, coached, threatened or intimidated by such employee or officers or directors .
6. Such Employee(s) including Director(s) shall have right to consult with a person or persons of their choice, other than the Officer / investigating officer and/or members of the Audit Committee and/or the Whistle Blower. Unless there are compelling reasons not to do so, such Employee(s) including Director(s) will be given the opportunity to respond to material findings contained in the investigation report.
7. Such Employee(s) including Director(s) shall have a right to be informed of the outcome of the investigations.

VII. DECISION AND REPORTING

1. The Audit Committee shall recommend the outcome of the findings to the Board of directors for their consideration. In case prima facie case exists against the employee, officer or

directors, then the Board may authorize the Audit Committee to take appropriate action with intimation to the Board of such action. In case, the Audit Committee decides to close the matter, it shall record the reasons for the same. Copy of above decision shall be addressed to the Officer, the Whistle Blower and such Employee, Officer or Directors against whom the investigation was conducted.

2. A Complainant who makes false allegations of unethical and improper practices or about wrongful conduct of any officer or employee or director to the Officer shall be subject to appropriate disciplinary action.

VIII. SECRECY / CONFIDENTIALITY

The Complainant, Officer, Members of the Audit committee, such Employee(s), Officer(s) including Director(s) in the process shall:

- a. Maintain confidentiality of all matters under this Policy.
- b. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- c. Shall not keep the papers unattended anywhere at any time.
- d. Keep the electronic mails / files under password.

IX. PROTECTION TO WHISTLEBLOWER

1. If one raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/his job or suffer loss in any other manner like 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, as a result of reporting under this Policy. The protection is available provided that
 - a. The communication/ disclosure is made in good faith.
 - b. He/ She reasonably believes that information, and any allegations contained in it, are substantially true; and
 - c. He/ She is not acting for personal gain
2. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and discipline of any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.
3. Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

X. RETENTION OF DOCUMENTS

All Protected disclosures documented along with the results of investigation relating thereto, shall be retained by the Officer for a period of 5 (five) years or such other period as specified by any other law in force, whichever is more.

XI. AMENDMENT

The Managing Directors of the Company has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.