

Ref.: Sec/BD/22/2012

July 17, 2012

Re: Whistle Blower Policy

This refers to the Whistle Blower Policy of the Corporation.

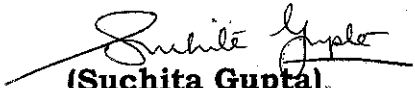
The "Ethics Committee (Board)" has been reconstituted and consists of the following members:

1. Shri Sunil Soni
2. Shri S.B. Mathur
3. Shri Sanjiv Kapoor"

The "Ethics Committee (Management)" consists of the following members:

1. Shri N. Mohan
2. Shri Y. Ramulu
3. Smt. Suchita Gupta

This is for information of all the employees of the Corporation.


(Suchita Gupta)
**Asstt. General Manager &
Company Secretary**

WHISTLE BLOWER POLICY

1. Preface

- General Insurance Corporation of India (GIC Re) believes in the conduct of its corporate affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior, accordingly, the Corporation has adopted the Whistle Blower Policy.
- GIC Re is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise concerns about any serious irregularities within the Corporation.
- The Policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal dissatisfaction or grudge.

2. Definitions

The definitions of some of the key terms used in this Policy are given below.

- “Disciplinary Action” means any action that can be taken on the completion of/ during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
- "Ethics Committees" means the Ethics Committee (Board) and Ethics Committee (Management).
- “ Ethics Committee (Board)” means the Committee as constituted by the Board of the Company who would report to the Board
- “ Ethics Committee(Management)” means the Committee as constituted by the Chairman-cum- Managing Director of the Company who would report to the Ethics Committee(Board)
- “Ethics Councillor” means the person appointed as such by the Ethics Committees.

- "Employee" means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company. .
- "Investigators" mean those persons authorised, appointed, consulted or approached by the Ethics Committees and includes the auditors of the Company and the police.
- "Protected Disclosure" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.
- "Subject" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- "Whistle Blower" means an Employee making a Protected Disclosure under this Policy.

3. Scope

- All Employees of GIC Re are eligible to make Protected Disclosures under the Policy. **The Protected Disclosures must be in relation to matters concerning the Corporation.**

4. Coverage of Policy

The Policy covers malpractices and events which have taken place / suspected to take place involving:

- Abuse of Authority
- Manipulation of company data / records
- Financial irregularities, including fraud, or suspected fraud
- Criminal Offence
- Pilferation of confidential/ propriety information
- Deliberate violation of law/ regulation
- Wastage / misappropriation of Company fund/ assets
- Any other unethical, biased, favored imprudent event.
- Breach of employee Code of Conduct or Rules
- Governance weakness

Policy should not be used for raising malicious or unfounded allegation against colleagues.

5. Disqualifications

- While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action
- Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
- Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Ethics Committee would reserve its right to take/recommend appropriate disciplinary action.

6. Procedure

- All Protected Disclosures should be addressed to the Chairperson of the Ethics Committees(Management) or Chairman of the Ethics Committee (Board) of GIC Re.
- Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower.
- The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The Chairperson/Chairman of the Ethics Committees shall detach the covering letter and discuss the Protected Disclosure with Members of the Committee and if deemed fit, forward the Protected Disclosure to the Ethics Counsellor of the Company for investigation
- Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- The Whistle Blower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained by the Ethics Committee as it would not be possible for it to interview the Whistle Blowers.

- Concerns expressed anonymously WILL NOT BE usually investigated BUT subject to the seriousness of the issue raised the Ethics Committee can initiate an investigation independently.

7. Investigation

- All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Counsellor of the Company who will investigate / oversee the investigations under the authorisation of the Ethics Committee (Board) / Ethics Committee (Management).
- Protected Disclosures involving or relating to the Ethics Counsellor which in the opinion of the Ethics Committee (Board) / Ethics Committee (Management) may hamper the independence of the Ethics Counsellor in conducting the investigation will be investigated by the Ethics Committee (Board) / Ethics Committee (Management) itself.
- The Ethics Counsellor / Ethics Committees may at its discretion, consider involving any Investigators for the purpose of investigation.
- The decision to conduct an investigation taken by the Ethics Committees is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- The identity of the Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

8. 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. GIC Re, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given 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 Corporation 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.
- The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Ethics Counsellor /Ethics Committees (e.g. during investigations carried out by Investigators).
 - Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

9. Investigators

- Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Ethics Committees when acting within the course and scope of their investigation.
- Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- Investigations will be launched only after a preliminary review which establishes that:
 - the alleged act constitutes an improper or unethical activity or conduct, and
 - either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review.

10. Decision

If an investigation leads the Ethics Committees to conclude that an improper or unethical act has been committed, the Ethics Committee shall advise the management of the Company to take such disciplinary under Conduct , Discipline and Appeal Rules 1975.

11. Reporting

The Ethics Counsellor shall submit a report to the Ethics Committee (Board) / Ethics Committee (Management) on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any. The Ethics Committees shall forward the same to the Board

12. Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of seven years.

13. Secrecy/ Confidentiality

The Whistle Blower , the Subject , the Ethics Councillor and every one involved in the process shall

- maintain complete confidentiality/ secrecy of the matter
- not discuss the matter in any informal / social gathering / meetings
- discuss only to the extent or with the persons required for the purpose of completing the process and investigation
- not keep the papers unattended anywhere at any time
- keep the electronic mails/ file under password

14. Reporting

A quarterly report with the number of complaints received under the Policy and their outcome shall be placed before the Board.

15. Accountabilities for Employees

- Bring to early attention of the Corporation any improper practice they become aware of. Although they are not required to provide proof , they must have sufficient cause for concern.
- Avoid anonymity when raising a concern
- Co-operate with investigating authorities , maintaining full confidentiality
- The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty complaints. Malicious allegations by employees may attract disciplinary action.
- A complainant has the right to protection from retaliation. But this does not extend to immunity for complicity in the matters that are the subject of the allegations and investigation.

16. Accountabilities for Ethics Councillor // Ethics Committees

- Ensure that the policy is being implemented.
- Ascertain prime facie the credibility of the charge. If initial inquiry indicates further investigation is not required, close the issue.
- Acknowledge receipt of concern to the complainant.
- Ensure that necessary safeguards are provided to the complainant
- Conduct the inquiry in a fair, unbiased manner.
- Ensure complete fact finding.
- Maintain strict confidentiality.
- Where further investigation is indicated, carry this through appointing a Committee if necessary.
- .Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom.
- Recommend an appropriate course of action – suggest disciplinary action, including dismissal and preventive measures.
- Minute Committee deliberations and document the final report.

17. 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.

Date : 10th March 2010