

## **WHISTLE BLOWER POLICY**

### **Objective**

1. Precision Electronics Limited (the "**Company**") is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Company 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.
2. Section 177 read with Rule 7 of the Companies (Meetings of Board and its Powers), 2014 and Regulation 22 of SEBI (LODR) 2015, inter alia provides a mandatory requirement for all listed companies to establish a mechanism called "Vigil Mechanism (Whistle Blower Policy)" for Directors and Employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
3. The Policy covers malpractices and events which have taken place/suspected to take place involving (i) abuse of authority; (ii) breach of contract; (iii) negligence causing substantial and specific danger to public health and safety; (iv) manipulation of company data/records; (v) financial irregularities, including fraud, or suspected fraud; (vi) criminal offence; (vii) pilferation of confidential/propriety information; (viii) deliberate violation of law/regulation; (ix) wastage/misappropriation of Company funds/assets; (x) breach of employee Code of Conduct/Ethics Policy or Rules; or (xi) any kind of discrimination, harassment, victimization or any other unfair employment practice, 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 whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure, any other unethical, biased, favoured, imprudent event.

The Policy neither releases directors or 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 situation.

### **Scope**

This policy is applicable to various stakeholders of Precision Electronics Ltd. The stakeholders under the Policy may fall into any of the following broad categories:

- √ Directors of the Company
- √ Permanent & contractual employees of the Company based in India.
- √ Contractors, vendors, suppliers or agencies (or any of their employees)
- √ Customers of the Company
- √ Any other person having an association with the Company

## **Guidelines**

### **1. How should a Disclosure be made and to whom?**

A Disclosure should be made in writing through physical letter or email to 'ombudsperson' as per the given details

Email Address: [pel.ombudsperson@pel-india.com](mailto:pel.ombudsperson@pel-india.com)

Name of the Ombudsperson: Mr. Sharvan Kumar Kataria(Chairperson Audit Committee)

Mailing Address: To, Chairperson Audit Committee

Precision Electronics Limited  
D-10, Sector 3  
Noida – 201301.

### **2. Is there any specific format for submitting the Disclosure?**

While there is no specific format for submitting a Disclosure, the following details MUST be mentioned:

a) Name, address and contact details of the Whistleblower (add Employee ID if the Whistleblower is an employee).

Whistleblowers must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily NOT be investigated.

b) Brief description of the malpractice, giving the names of those alleged to have committed or about to commit a malpractice. Specific details such as time and place of occurrence are desirable.

c) Whistleblower can request for anonymity & in that case the identity of the Whistleblower will be kept confidential subject to the legitimate needs of law.

### **3. What will happen after the Disclosure is submitted?**

a) The Ombudsperson shall acknowledge receipt of the Disclosure as soon as practical (preferably within 07 days of receipt of a Disclosure), where the Whistleblower has provided his/her contact details.

b) The Ombudsperson will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the Disclosure constitute a Malpractice. If the Ombudsperson determines that the allegations do not constitute a Malpractice, it will record this finding with reasons and communicate the same to the Whistleblower.

c) If the Ombudsperson determines that the allegations constitute a Malpractice, it will initiate investigation along with Whistleblowing Investigation Committee (WIC). If the alleged Malpractice is required by law to be dealt with under any other mechanism, the Ombudsperson shall refer the Disclosure to the

appropriate authority under such mandated mechanism and seek a report on the findings from such authority.

- d) The WIC shall conduct such investigations as soon as practically possible and in any case, not later than 90 days from the date of receipt of the Disclosure. The Ombudsperson may allow additional time based on the circumstances of the case. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings will be made.
- e) Whilst it may be difficult for the Ombudsperson to keep the Whistleblower regularly updated on the progress of the investigations, it will keep the Whistleblower informed of the result of the investigations and its recommendations subject to any obligations of confidentiality.
- f) The Ombudsperson at its discretion may decide not to disclose the name of the whistleblower to investigating committee members in case of sensitive matters.

#### **4. Protection to the Whistleblower**

Whistleblower under this Policy, will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, threat or intimidation of termination/ suspension of service, disciplinary action, transfer, demotion, refusal or promotion or any form of harassment or vengeance in any manner. A whistleblower 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. If the Whistleblower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistleblower to receive advise about the payment etc.

Including making further 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.

Anyone who abuses the procedure (for example by maliciously raising a concern knowing it to be untrue) will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.

However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

Any other employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower. However, 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 Whistleblower, shall not be protected under this policy.

## **Procedure**

### **Investigation**

- √ All the disclosures will be investigated by ombudsperson along with WIC
- √ In case investigation process leads to another investigation which has not been reported by the Whistleblower, the ombudsperson may expand the scope and timeline to take final decision. Ombudsperson based on his/her discretion may take decision based on interim report in cases leading to more investigation and take the final decision after final report is submitted.
- √ If allegations are against any of the WIC member(s) or in case of conflict of interest in a given case, the member(s) should recuse themselves and the others on the committee would deal with the matter on hand.

### **Decision**

If the investigation leads the WIC to conclude that an improper or unethical act has been committed, it will propose its recommendations to Ombudsperson. The Ombudsperson then will recommend the disciplinary or corrective action to be taken in the matter investigated.

### **Reporting**

- √ PEL Audit Committee will be kept informed about all whistleblowing disclosures & progress in terms of investigation and outcome.
- √ Any investigation beyond 90 days of initial whistleblowing disclosure will be separately presented to PEL Audit Committee with reasons.

### **Defintions**

√ **“Whistle Blowing Committee”** (WIC) means an officer or Committee of persons who is/are nominated/ appointed to conduct detailed investigation of the disclosure received from the whistleblower and recommend disciplinary action. Currently, below mentioned person are nominated to the Committee.

Name	Designation
Mr. RanjnaGudoo	Non- Executive Director
Mr. Suresh Vyas	Independent Director

The committee may co-opt other members as per the discretion of Ombudsperson.

### **Secrecy/ Confidentiality**

The Whistleblower, the subject and all others involved in the process shall:

- a. Maintain complete confidentiality/ secrecy of the matter;
- b. Not discuss the matter in any formal or informal social gatherings/ meetings.
- c. Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
- d. Not keeping the partners unattended anywhere at any time.
- e. Keep the electronic mails/ files under password.

### **Document Retention**

All documents related to reporting, investigation and enforcement pursuant to this Policy shall be kept in accordance with the Company's record retention policy and applicable law.

### **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. PEL Audit Committee will review and may amend this policy from time to time.

### **Effective Date of the Policy**

This Policy will come into effect from the date of approval of the same by the Board of Directors of Company.

Signed

Effective Date  
**12.02.15**