

CENTRAL ELECTRONICS LIMITED

WHISTLE BLOWER POLICY

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1. Preface

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. 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 and to establish a mechanism called "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise concern about serious irregularities within the Company.

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 situation.

2. Policy

This Policy is for the Employees of CEL. The Policy has been drawn up so that Employees can be confident about raising a concern. The areas of concern covered by this Policy are summarized hereunder.

3. Definitions

3.1 "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.

3.2 "Employee" means every employee of the Company including those working on contract or through contractors.

3.3 "Protected Disclosure" means a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

3.4 "Subject" means a person against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

3.5 "Whistle Blower" is someone who makes a Protected Disclosure under this Policy.

3.6 "Whistle Officer" or "Committee" means an officer or Committee of persons who is nominated/appointed to conduct detailed investigation.

3.7 "Ombudsperson" will be a Non-Executive Director for the purpose of receiving all complaints under this Policy and ensuring appropriate action. The Chairman & Managing Director shall have the authority to change the Ombudsperson from time to time. Presently Ms. Manjula Jillellamudi Part time Official Director is "Ombudsperson".

4. Coverage of Policy

5.1 The Policy covers malpractices and events which have taken place/ suspected to take place involving abuse of authority, Breach of contract, Negligence causing substantial and specific danger to public health and safety, Manipulation of Company data/records, Financial irregularities, including fraud, or suspected fraud, Criminal offence or any other unethical, biased, favoured, Imprudent event and Wastage/ misappropriation of

Company funds/assets. The Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

5. Manner in which concern can be raised

5.1 Employees can make Protected Disclosure to Ombudsperson, as soon as possible but not later than 30 consecutive days after becoming aware of the same.

5.2 The Ombudsperson is authorized to receive written complaints for disclosure on any allegation of corruption or misuse of office by any employee of the Company.

5.3 The Ombudsperson has the responsibility of keeping the identity of the complainant secret. Hence the complainant should comply with the following steps:-

- a. The complaint should be in a closed / secured envelope.
- b. The envelope should be addressed to Ombudsperson and should be superscribed "Complaint as Whistle-Blower". If the envelope is not superscribed and closed, it will not be possible for the Ombudsperson to protect the complainant under the Whistle-Blower Policy and the complaint will be dealt with as per the normal complaint. The Details of Ombudsperson is as under:-

***Ms. Manjula Jillellamudi, Director, C/o Company Secretary, Central Electronics Limited, 4 Industrial Area, Sahibabad, Ghaziabad-201010 (UP)**

The first envelope should be addressed to Ombudsperson and put into a Second envelope which should be addressed to Company Secretary at the above mentioned address.

* Changed from time to time.

- c. The complainant should give his/her name and address in the beginning or end of the complaint.
- d. The Ombudsperson will not entertain anonymous / pseudonymous complaints.
- e. The text of the complaint should be carefully drafted so as not to give any details or clue as to his/her identity. However, the details of the complaint should be specific and verifiable.
- f. The Whistle-Blowers are advised not to enter into any further correspondence with the Ombudsperson in their own interest. The Ombudsperson will ensure the necessary action into the allegation and if any further clarification is required, the Ombudsperson will get in touch with the complainant.
- g. If the complaint is accompanied by particulars of the person making the complaint, the Ombudsperson shall take the following steps:-
 - i. Ombudsperson will ascertain from the complainant whether he/she was the person who made the complaint or not.
 - ii. The identity of the complainant will not be revealed unless the complainant himself/herself has made the details of the complaint either public or disclosed his/her identity to any other office or authority.
 - iii. After concealing the identity of the complainant, the Ombudsperson shall make, in the first instance, discreet inquiries to ascertain if there is any basis of proceeding further with the complaint.

(iv) Either as a result of the discreet inquiry, or on the basis of the complaint itself without any inquiry, if the Ombudsperson is of the opinion that the matter requires to be investigated further, the Ombudsperson shall officially seek the comments or explanation from the department concerned and also shall himself or through the whistle officer the concerned head of the department to keep the identity of the complainant secret if for any reason, the concerned Head comes to know the identity.

5.4 Where initial enquiries indicate that further investigation is necessary, this will be carried through either by the Ombudsperson alone, or by a Whistle Officer/Committee nominated by the Ombudsperson for this purpose. 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 would be made.

5.5 Name of the Whistle Blower shall not be disclosed to the Whistle Officer/Committee.

5.6 The Ombudsperson/Whistle Officer/Committee shall:

i) Make a detailed written record of the Protected Disclosure. The record will include:

- a) Facts of the matter;
- b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- c) Whether any Protected Disclosure was raised previously against the same Subject;
- d) The financial/ otherwise loss which has been incurred / would have been incurred by the Company.
- e) Findings of Ombudsperson/Whistle Officer/Committee;
- f) The recommendations of the Ombudsperson/Whistle Officer/Committee on disciplinary/other action (s).

ii) The Whistle Officer/Committee shall finalise and submit the report to the Ombudsperson within 15 days of being nominated /appointed.

5.7 On submission of report, the Whistle Officer /Committee shall discuss the matter with Ombudsperson who shall either:

(i) In case the Protected Disclosure is proved, accept the findings of the Whistle Officer /Committee and initiate such Disciplinary action as he may think fit with the approval of Disciplinary Authority and take preventive measures to avoid re-occurrence of the matter;

ii) In case the Protected Disclosure is not proved, extinguish the matter;

or

ii) Depending upon the seriousness of the matter, Ombudsperson may refer the matter to the Audit Committee with proposed disciplinary action/counter measures. In case the Audit Committee thinks that the matter is too serious, it can further place the matter before the Board with its recommendations. The Board may decide the matter as it deems fit.

5.8 If any person is aggrieved by any action on the ground that he is being victimized due to the fact that he/she had filed a complaint or disclosure, he/she may file an application before the Chairman of the Audit Committee seeking redress in the matter, who shall take such action, as deemed fit. The Chairman of the Audit Committee may give suitable directions to the concerned employee or the authority as the case may be.

5.9 Either on the application of the complainant or on the basis of the information gathered, if the Chairman of the Audit Committee is of the opinion that either the complainant or the witnesses need protection, the Chairman shall issue appropriate direction to the CMD.

5.10 In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation and the decision, s/he can make a direct appeal to the Chairman of the Audit Committee

6. Vigilance Matter:

6.1 The Ombudsperson will refer all the complaints having vigilance angle to the Chief Vigilance Officer (CVO)-CEL for further necessary action as per the guidelines of CVC.

7. Secrecy/Confidentiality

The Whistle Blower, the Subject, the Whistle Officer and everyone involved in the process shall:

- a. maintain complete confidentiality/ secrecy of the matter.
- b. not discuss the matter in any 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 keep the papers unattended anywhere at any time.
- e. keep the electronic mails/files under password. If anyone is found not complying with the above, he/ she shall be held liable for such disciplinary action as is considered fit.

8. Reporting

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

9. Amendment

The Chairman & Managing Director 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.
