

VIGIL MECHANISM POLICY

PREFACE

As per Section 177 of the Companies Act, 2013 and the Rules thereunder, the company is required to establish a Vigil Mechanism for the directors and employees to report genuine concerns or grievances related to the matters as set out in this policy.

POLICY OBJECTIVE

The Vigil Mechanism aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the policy.

SCOPE OF THE POLICY

The Policy intends Directors and employees to voice all their genuine concerns which shall include but not limited to the following:

- a) Abuse or misuse of Authority
- b) Breach of trust / confidentiality
- c) Manipulation of Company data/ records
- d) Negligence causing danger to health and safety
- e) Breach of any Policy adopted by the Company
- f) Financial irregularities, including fraud, or suspected fraud
- g) Deliberate violation of law/regulation
- h) Misappropriation of Company assets/funds

DEFINITIONS

“Protected Disclosure” means a concern raised in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

“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.

“Vigil Mechanism Committee” means the committee designated by the Audit Committee to process and investigate Protected Disclosures and shall comprise of the Managing Director/Whole-time Director and independent director of the Company.

ELIGIBILITY

All Employees and Directors of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

PROCEDURE

All Protected Disclosures should be reported in writing to the Vigil Mechanism Committee of the Company in writing by the complainant as soon as possible after the Complainant becomes aware of the same and shall be reported to the Vigil Mechanism Committee through Compliance Officer whose contact details are as under:

Mr. R K Chhajer
Elin Electronics Limited
4771, Bharat Ram Road,
23, Daryaganj,
New Delhi – 110002
Email: rkc@elinindia.com

INVESTIGATION

- All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigil Mechanism Committee, if deems fit, may call for further information from the complainant and at its discretion, consider involving any an outside agency for the purpose of investigation.
- The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems 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.
- The Complainant shall have right to access to the Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

DECISION AND REPORTING

- If an investigation leads to a conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as it may deem fit.
- Any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

PROTECTION

- No unfair treatment will be meted out to a Complainant by virtue of his/ her having reported a Protected Disclosure under this policy. The Company, as a policy, condemns

any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Complainant. The Company will take steps to minimize difficulties, which the Complainant may experience as a result of making the Protected Disclosure.

- The identity of the Complainant shall be kept confidential to the extent possible and permitted under law.

ACTION AGAINST FRIVOLOUS COMPLAINTS

In case of repeated frivolous complaints being filed by a director or an employee, the audit committee may take suitable action against the concerned director or employee including reprimand.
