VIGIL MECHANISM / WHISTLE BLOWER POLICY

LEEL ELECTRICALS LIMITED

VERSION HISTORY:

Version No.	Effective Date	Amendment /Revision Details
1.0	27.09.2024	Initial Issuance

1. Introduction and Objective:

LEEL ELECTRICALS LIMITED (the "Company") has developed this "Vigil Mechanism/Whistle Blower Policy" (the "Policy") to enable employees and directors, of the Company to report any genuine concerns, unethical practices, violations of the Code of Conduct, or irregularities without fear of retaliation. This will create an environment in which ethical conduct is encouraged, and issues are addressed promptly and fairly, by ensuring transparency, accountability, and adherence to high ethical standards, to foster trust and strengthen the integrity of the Company.

The Board of Directors of the Company, post its acquisition vide Hon'ble National Company Law Tribunal ("NCLT") Order dated 21.03.2024 under the provisions of Insolvency and Bankruptcy Code, 2016, ("IBC"), adopted this policy in its Meeting (02/2024-25) held on 27.09.2024, in order to align with the relevant provisions of the Section 177 of the Companies Act, 2013 (the "Act") and the rules made thereunder, as well as Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

In the event of any inconsistency between this Policy and applicable laws, the provisions of the law shall take precedence, and the Company will ensure compliance with the relevant legal requirements.

2. Definitions:

Unless otherwise specified:

Act: shall mean the Companies Act, 2013;

Audit Committee: shall mean the Audit Committee of the Company constituted in accordance with the provisions of the Act and SEBI Listing Regulations;

Company: shall mean "LEEL Electricals Limited";

Policy: shall mean this Vigil Mechanism or Whistle Blower Policy of the Company;

Protected Disclosure: shall mean a factual, non-speculative concern raised by 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 unethical or improper activity with respect to the Company;

SEBI Listing Regulations: shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Whistle Blower: shall mean an employee or Director of the Company who make a Protected Disclosure under this Policy;

Whistle Blower Officer: shall mean an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Committee for its disposal and informing the Whistle Blower the result thereof.

The words and phrases used in this policy which are not defined here shall derive their meaning from the applicable laws and regulations, as the case may be. Further, if any of the above definitions are in contradiction with the applicable laws, then the definitions under the applicable laws shall prevail.

3. Coverage:

This Policy addresses malpractices and incidents that have occurred or are suspected to have occurred, including but not limited to, the misuse or abuse of authority, fraud or suspected fraud, violation of the Company's rules, manipulation, negligence endangering public health and safety, misappropriation of funds, and any other activity or matter that may adversely affect the interests of the Company.

4. Guiding Principles:

While adopting this Policy, the Company has considered the following factors, as outlined under the relevant provisions of Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, which include:

(a) Ensuring that it provides for adequate safeguards against victimisation of employees and directors who avail of this Policy; and

(b) Ensuring that there is a provision for direct access to the chairperson of the "Audit Committee" in appropriate or exceptional cases.

5. Roles & Responsibilities:

(1) The Whistle Blowers should act in good faith, ensuring that concerns raised are genuine and not malicious.

(2) All the Employees or Directors raising concerns as well as the subjects thereto, must cooperate with investigations and provide truthful information.

(3) The Audit Committee shall oversee the Policy and review the concerns received. The committee should be responsible for the final resolution of the concerns.

(4) The Audit Committee shall designate a senior person or official as the Whistle Blower Officer to handle concerns and ensure that investigations are conducted promptly and impartially.

6. Reporting a Concern:

(1) The Whistle Blower shall have the option of lodging their concern through any of the following modes:

(a) by sending an e-mail to the designated Whistle Blower Officer's e-mail address at neeraj@leelelectric.com; or

(b) by submitting a written concern, in a closed and sealed envelope, super-scribed "CONCERN UNDER WHISTLE BLOWER POLICY", addressed to the Whistle Blower Officer at the registered office or such other address as may be notified by the Company from time to time.

(2) In appropriate and exceptional cases, Whistle blowers may directly access to the Chairman of the Audit Committee.

(3) 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.

7. Processing of Concern:

(1) Upon receiving a concern, the Whistle Blower Officer shall first confirm the identity of the Whistle Blower and conduct a discreet inquiry before proceeding with the concern and presenting it to the Audit Committee.

(2) All Protected Disclosures reported under this Policy shall be thoroughly investigated by the Whistle Blower Officer in consultation with the Chairman of the Audit Committee, who will oversee the investigation, or delegate it as necessary, under the authorization of the Audit Committee.

(3) The decision by the Chairman of the Audit Committee to initiate an investigation shall not be construed as an accusation but rather as a neutral fact-finding process. The investigation may conclude that the Whistle blower's allegations are substantiated, partially substantiated, or not substantiated based on the evidence available

(4) The Subject of an investigation shall typically be informed of the allegations at the outset of the formal investigation and be given an opportunity to present their side during the investigation.

(5) No allegation of wrongdoing shall be considered maintainable unless there is sufficient evidence to support the allegation.

(6) Investigations shall, in normal circumstances, be completed within (60) days from the date of commencement of the investigation. However, owing to the complexity of the matter, involvement of multiple parties, or any other reasonable cause, if the investigation cannot be completed within the said period, the Chairman, may extend

the investigation period by recording the reasons in writing. In no event shall the investigation ordinarily exceed ninety (90) calendar days, except with the prior approval of the Audit Committee.

(7) The Subject shall have the right to be informed of the investigation's outcome. If the allegations are not substantiated, the subject will be consulted to determine whether public disclosure of the investigation's findings would be in the best interest of both the subject and the Company. Where the allegations are substantiated and it is concluded that an improper or unethical act has occurred, the Audit Committee may publicly disclose the investigation's findings.

(8) If the investigation concludes that an improper or unethical act has occurred, the Chairman of the Audit Committee shall recommend appropriate disciplinary or corrective actions to the management. Any such action shall comply with the Company's established personnel conduct and disciplinary procedures.

8. Concerns not to be considered:

(1) The Company shall not be obliged to act upon anonymous or pseudonymous concerns. However, where such concern contains credible, specific, and verifiable information indicating serious misconduct, fraud, or a violation of law, the Audit Committee or the Whistle Blower Officer may, at its discretion, direct that a preliminary inquiry be conducted.

(2) Where it is determined, after due inquiry, that a Whistle Blower has repeatedly made mala fide Protected Disclosures or has knowingly submitted frivolous, vexatious, or baseless concerns, the Company may, subject to the approval of the Audit Committee, disqualify such Whistle Blower from making further Protected Disclosures under this Policy.

9. Protection to Whistle Blowers:

(1) The Company, as a matter of mechanism, strongly condemns any form of discrimination, harassment, victimization, or any other unfair employment practice directed against Whistle Blowers. Protection will be provided to Whistle Blowers against any retaliatory actions, including threats, intimidation, termination or suspension of employment, disciplinary measures, transfer, demotion, denial of promotion, or any other adverse action. This includes any direct or indirect use of authority to obstruct the Whistle Blower's ability to continue performing their duties or to make further Protected Disclosures.

(2) The Company shall take appropriate steps to minimize any difficulties that a Whistle Blower may face as a result of making a Protected Disclosure and shall provide guidance regarding the process and related procedures.

(3) Any Employee assisting in the investigation will also be afforded the same level of protection as the Whistle Blower.

(4) A Whistle Blower may report any violation of this clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.

(5) A Whistle Blower shall be entitled to protection under this Policy in respect of a Protected Disclosure, provided that the Whistle Blower has adhered to the following responsibilities:
   (a) The Whistle Blower has reasonable grounds to believe that the information disclosed and the allegations made are substantially true;
   (b) The Protected Disclosure is not made for personal gain or with any ulterior motive; and
   (c) The Protected Disclosure is made in good faith.

(6) A Whistle Blower is entitled to be protected against any form of retaliation or victimization for making a Protected Disclosure in accordance with this Policy. However, such protection shall not extend to immunity from any action arising from the Whistle Blower's own involvement in the matters that are the subject of the Protected Disclosure or the investigation.

10. Confidentiality:

(1) The identity of the Whistle Blower shall be kept confidential and anonymity shall be maintained to the extent possible and permitted under law.

(2) To ensure confidentiality, the access right to open/view/access the concerns under "Whistle Blower" category is restricted only to the Whistle Blower Officer. The Whistle blower Officer shall be solely responsible for maintaining the confidentiality of the Whistle blower's identity. The User ID and password required to access the relevant email shall be held exclusively by the Whistle blower Officer.

(3) The Whistle blower Officer will take appropriate measures to protect the Whistle blower's personal information (e.g., name, PF number, branch, location, etc.) by concealing such details when printing the concern. This is to safeguard the identity of the Whistle Blower before submitting the concern to the Audit Committee. All concerns received will be securely stored, locked, and kept in the custody of the Whistle blower Officer.

11. Awareness and Training:

(1) The Company shall periodically provide training and awareness programmes to its Employees and Directors regarding the Vigil Mechanism, its objectives, and the procedure for reporting genuine concerns under this Policy.

(2) The Company shall periodically communicate the existence and availability of the Vigil Mechanism to its employees through emails, circulars, training sessions, meetings, or such other appropriate means, and encourage them to report genuine concerns in accordance with this Policy.

12. Record Retention

The Company shall maintain complete and accurate records of all Protected Disclosures, including details of the concerns received, investigations conducted, actions taken and resolutions provided for future reference and audit purposes.

13. Amendments to the Policy

Any amendment, modification or change in the provisions of SEBI Listing Regulations or any other applicable law relating to material subsidiaries shall automatically apply to this Policy. The Board of Directors may review and amend this policy from time to time.

14. Disclosure:

The details of this Policy, duly approved by the Board of Directors of the Company, shall be disclosed by the Company on its website.