



Patel Engineering Limited

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***Vigil Mechanism /Whistle blower Policy***

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<b>Approved by</b>	Board of Directors
<b>Date approved</b>	June 11, 2021

# Whistle Blower Policy

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## Whistle Blower Policy

### 1. INTRODUCTION

Patel Engineering Limited (PEL) is committed to developing a culture where it is safe for any Whistle Blower to raise concerns about unacceptable practice and any event of misconduct / unethical / improper practices or any other wrongful conduct in the Company.

PEL 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 behavior.

### 2. PURPOSE

The purpose of this Policy is to establish a vigil mechanism for director(s) /stakeholder(s) to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Ethics and Code of Conduct. This Policy provides for adequate safeguards against victimization of director(s) /stakeholder(s) and provides opportunity to director(s)/ stakeholder(s) to access in Good Faith, to the ABMS (Anti Bribery Management System) Committee in case they observe Unethical and Improper Practices or any other wrongful conduct in the Company.

In line with our vision and values, which we cherish in our organization and as a part of good corporate governance, this Policy has been formulated. The Policy is meant to encourage director(s) /stakeholder(s) to report to the ABMS Committee for rectification, addressing, and redressing if they find or observe anything wrong and / or instances having an adverse effect on the Company's financials and image. No adverse personnel action shall be taken or recommended against director(s) /stakeholder(s) in retaliation to his disclosure in Good Faith of any Unethical and Improper Practices or Alleged Wrongful Conduct. This Policy protects such director(s) /stakeholder(s) from unfair termination and unfair prejudicial employment practices.

However, this Policy does not protect director(s)/ stakeholder(s) from an adverse action which occurs independent of his disclosure of unethical and improper practice or Alleged Wrongful Conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this Policy: This Policy shall be disclosed by the Company on its website and in the Board's report.

### 3. DEFINITIONS

#### A. Adverse Personnel Action

Means an employment-related act or decision or a failure to take appropriate action by Managerial Personnel which may affect the director(s) /stakeholder(s) employment, including, but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges.

#### B. ABMS Committee

Means a Committee which is set up for Anti Bribery framework under Anti Bribery Anti Corruption Policy and generally constituting of Senior management personnel of the Company

#### C. Alleged wrongful conduct

Shall mean violation of law, infringement of Company's Ethics and Code of Conduct policies, mismanagement, misappropriation of assets, money laundering, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

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- Alleged Wrongful Conduct as illustrated below may include but is not limited to: Forgery, falsification or alteration of documents;
- Unauthorized alteration or manipulation of computer files internet data; Fraudulent reporting, willful material misrepresentation;
- Pursuit of a benefit or advantage in violation of the Company's interest;
- Misappropriation/misuse of Company's resources, like funds, supplies, vehicles or other assets;
- Improper use of authority;
- Unauthorized release of proprietary information; Theft of cash;
- Theft of goods/ services;
- Falsification, destruction of Company records;
- Solicitation accepting/ giving, Kickbacks, bribes, expensive gifts, directly or indirectly through business connections including vendors and contractors (for this purpose, gifts / complimentary, etc.);
- Authorizing/receiving compensation for goods not received/ services not performed; Authorizing/receiving or receiving compensation for hours not worked;
- Fraudulent insurance claims; or Providing (unauthorized) confidential information to external agencies. Leak of Unpublished Price Sensitive Information Matters pertaining to the following may be excluded as there are separate forum available for the same:
- Personal grievances;
  - Dissatisfaction with appraisals and rewards; Complaints relating to service conditions; Sexual harassment;
  - Suggestions for improving operational efficiencies

### **D. Audit Committee**

Means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with provision of the Companies Act 2013, read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **E. Good Faith**

Director(s)/ stakeholder(s) shall be deemed to be communicating in good faith if there is a reasonable basis for communication of Unethical and Improper Practices or any other Alleged Wrongful Conduct. Good faith shall be deemed lacking when the director(s) /stakeholder(s) do not have personal knowledge or a factual basis for the communication or where the director(s) /stakeholder(s) knew or reasonably should have known that the communication about the Unethical and Improper Practices or Alleged Wrongful Conduct is malicious, false or frivolous.

### **F. Policy**

Means the Whistle-blower Policy (WBP)

### **G. Stakeholder(s)**

This includes internal stakeholder(s) like PEL employee(s), officer(s), project trainee(s), temporary/ contractual staff, member(s) of Executive Board.

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### **H. Unethical and Improper Practices** Shall mean :

- i. An act which does not conform to approved standards of social and professional behavior; or
- ii. An act which leads to unethical business practices; or
- iii. Improper or unethical conduct; or
- iv. Breach of etiquette or morally offensive behavior, etc.

### **I. "Unpublished Price Sensitive Information" or "UPSII"** means any information, relating to the company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- a. financial results;
- b. dividends;
- c. change in capital structure;
- d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions;
- e. changes in key managerial personnel

### **J. Whistle-blower** Shall mean-

Director(s)/ stakeholder(s) of the company who discloses in Good Faith any Unethical and Improper Practices or Alleged Wrongful Conduct

Words and expressions used and defined and/or used but not defined in this Policy shall have the same meaning assigned to them in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") or the Companies Act, 2013 ("Act") and the rules and regulations made thereunder, to the extent relevant in connection with this Policy, as the case may be or in any amendment thereto. Where any stipulation is common between the applicable Laws, more stringent of them shall be complied with.

## **4. APPLICABILITY**

This policy is applicable to all the stake holder(s) as defined above. No individual or body associated with it can waive compliance with this policy. All the director(s) /stakeholder(s) in each of the jurisdictions in which PEL operates are expected to follow this policy in addition to the applicable laws and regulations of the respective jurisdiction.

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act 2013 and/or SEBI Act and/or any other SEBI Regulations as amended from time to time.

This policy is an internal policy on disclosure by Director(s) /stakeholder(s) of any Unethical and Improper Practices or wrongful conduct.

This Policy prohibits the Company from taking any adverse action against its director(s) /stakeholder(s) for disclosing in Good Faith any Unethical and Improper Practices or Alleged Wrongful Conduct to the ABMS Committee. Any Directors stakeholder(s) against whom any Adverse Personnel Action has been taken due to his disclosure of information under this Policy may approach the ABMS Committee for the redressal.

## 5. FALSE COMPLAINTS

A Director(s)/ stakeholder(s) who knowingly make false allegations of Unethical and Improper Practices or Alleged Wrongful Conduct to the ABMS Committee shall be subject to disciplinary action, up to and including termination of employment in accordance with Company rules, policies and procedures. Further, this Policy may not be used as a defense by a director(s) /stakeholder(s) against whom an Adverse Personnel Action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

A person making complaint(s) with malafide intentions which have been subsequently found to be frivolous, may be disqualified from making any further protected disclosures under this policy and subjected to strict and disciplinary actions.

## 6. REPORTING MECHANISMS

PEL encourages all its directors/ stakeholder(s) to report in good faith or on the basis of a reasonable belief attempted, suspected and actual bribery, or any violation of or weakness to ABMS Committee as soon as possible.

It shall be directly reported through any of the below channel:

- by writing a letter in a sealed envelope marked “**Private and Confidential**” to the Chief Ethics Officer, ABMS Committee at Patel Engineering Limited , Patel Estate Road, Jogeshwari (West), Mumbai - 400102
- by sending an email to [abms@pateleng.com](mailto:abms@pateleng.com) or

ABMS Committee may appoint external personnel/ consultant(s) to manage the reporting system related to raising concern, if required.

Disclosures expressed anonymously will be investigated by the ABMS Committee.

Although a whistle-blower is not required to furnish any more information than what he/she wishes to disclose, it is essential for the Company to have all critical information in order to enable the ABMS Committee to effectively evaluate and investigate the complaint. It is difficult for the Committee to proceed with an investigation on a complaint which does not contain all the critical information such as the specific charge. The complaint or disclosure must therefore provide as much detail and be as specific as possible, including names and dates, in order to facilitate the investigation.

1. The director(s)/ stakeholder(s), and /or outside party or parties involved;
2. The sector of the Company where it happened (division, office, project site );
3. When did it happen: a date or a period of time;
4. Type of concern (what happened);
5. Submit proof or identify where proof can be found, if possible;
6. Who to contact for more information, if possible; and /or
7. Prior efforts to address the problem, if any.

In the event a director wishes to raise a complaint or disclosure under this Policy, he/ she shall approach the Managing Director & Chairman/ Chairman of the Audit Committee of the Company to seek necessary directions. .

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In the event the complaint or disclosure is in conflict of interest with members of the ABMS Committee or the Chairman of the Company, the Whistle blower may send a complaint letter in a sealed envelope marked "**Private and Confidential**" to the Chairman of the Audit Committee, Patel Engineering Limited, Patel Estate Road, Jogeshwari (West), Mumbai - 400102

In exceptional or appropriate cases including when the Whistleblower believe that his/her concern is not being properly addressed or investigated, he may approach to the Chairman of the Audit Committee which is authorized to prescribe suitable directions in this regard.

SEBI (Prohibition of Insider Trading) Regulations, 2015 mandates every Listed Company to formulate a written Policy and Procedures for inquiry in case of leak of USPI or suspected leak of UPSI and initiate appropriate inquiries on becoming aware of leak of UPSI or suspected leak of UPSI and inform the SEBI promptly of such leaks, inquiries and results of such inquiries.

Accordingly, in case if the Complaint is related to leak of USPI or suspected leak of UPSI, the complainant shall follow the procedure stated under "Policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information ("**Leak of UPSI Policy**")." In this regard, in case if complaint is received by Head HR / any other competent person, it shall forward the same to the Board, the Audit Committee, the Managing Director, the Whole-time Director & Chief Financial Officer or CRO as per Leak of UPSI Policy.

### 7. INVESTIGATIONS

- i. Allegation tracker should be maintained for each of the complaints received from any whistle-blower by the ABMS Committee;
- ii. All the concern(s) reported through channels as per clause 6 above shall be received by ABMS Committee;
- iii. Based on the facts provided by the whistle-blower, the ABMS Committee shall initiate preliminary enquiry;
- iv. If, based on preliminary enquiry, it may appear that the complaint reported may have no basis, or may not be a matter to be pursued under this Policy, it may be dismissed at that stage and the decision documented in the allegation tracker;
- v. If the preliminary enquiry indicates that further investigation shall be necessary, the ABMS Committee shall initiate an investigation;

Based on the result of the investigation, further action may be identified and implemented by the ABMS Committee. It may include, but not limited to, termination of contract or employment of/ with director(s) /stakeholder(s), initiating legal action, etc. Such conclusion(s)/ action(s) shall be updated in the allegation tracker immediately;

As an oversight function, an update of all the complaints received and action taken will be provided to PEL Audit Committee/Board on periodic basis by the ABMS Committee;

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Any Director(s) / stakeholder(s) who observe any Unethical and Improper Practices or Alleged Wrongful Conduct shall make a disclosure as soon as possible but preferably not later than sixty (60) consecutive calendar days after becoming aware of the same. The ABMS Committee shall acknowledge receipt of the complaint/disclosure to the Whistle-blower within seven (7) days of the receipt of the complaint/disclosure.

ABMS Committee shall appropriately and expeditiously investigate the complaint/disclosure received.

In this regard ABMS Committee may authorize a committee of Managerial Personnel to investigate into the matter and prescribe the scope and time limit there:

**ABMS Committee shall provide a detailed outline for the investigation;**

- a. ABMS Committee shall have right to outline detailed procedure for an investigation; Where the said Committee has designated a senior executive or a committee of Managerial Personnel for investigation, they shall mandatorily adhere to scope and procedure outlined by ABMS Committee for investigation;
- b. The ABMS Committee, shall have right to call for any information/document and examination of any director(s) /stakeholder(s) of the Company or other person(s), as they may deem appropriate for the purpose of conducting investigation under this Policy.

The ABMS Committee shall inquire in respect of the whistle-blower's complaint/disclosure and after inquiry/investigation the ABMS Committee shall report the findings to the Managing Director of the Company through Company Secretary, who shall consider the same. The final report shall be placed before the Chairman of the Audit Committee by the ABMS Committee, as the case may be so that the Chairman of the Audit Committee can keep an oversight of the investigations as per the provision of the Companies Act 2013 and relevant SEBI Guidelines in force.

The findings of ABMS Committee is placed before the Managing Director. The ABMS Committee may;

- a) Recommend to the Managing Director to reprimand, take disciplinary action, and impose penalty / punishment, order recovery when any alleged unethical and improper practice or wrong-fill conduct of any director / employee is proved.
- b) Recommend termination or suspension of any contract or arrangement or transaction vitiated by such unethical & improper practice or wrongful conduct.

Managing Director shall pass necessary orders in consultation with HR / business head concerned. All final report(s) shall be placed before the Audit Committee on quarterly basis for overview of the same.

In case of complaint related to leak of UPSI or suspected leak of UPSI, the Inquiry procedure and disciplinary action procedure as stated in Leak of UPSI Policy shall be adhered to and followed with.



## **8. NON RETALIATION / RESPONSIBILITY**

The directors/ stakeholder(s) under investigation:

- i. May or may not be informed of the allegations or investigation being carried out, depending on the sensitivity and seriousness of the complaint;
- ii. Holds a duty to co-operate with the ABMS Committee during the course of investigation;
- iii. Shall not withhold, destroy, delete or tamper evidence, in any form;
- iv. Shall be given an opportunity to respond to material findings contained in the investigation report unless there are compelling reasons not to do so;
- v. System access to the director(s) /stakeholder(s) under suspicion of committing irregularity/ illegality/ impropriety may be discontinued until the investigation/ review of charges against him/ her is completed.

## **9. PROTECTION TO WHISTLE BLOWER**

PEL has a strict Zero Tolerance to any kind of retaliation, discrimination or disciplinary action (e.g. by threats, isolation, demotion, preventing advancement, transfer, dismissal, bullying, victimization, or other forms of harassment) by any directors/ stakeholder(s) against anyone who refuses to participate in bribery based activities and/ or who, in good faith, reports any non-compliance/ violation(s). PEL endeavours to provide a framework to promote secured and result oriented whistle-blowing.

PEL shall provide complete protection to director(s) /stakeholder(s) who have raised concern(s) against any form of victimization. Anyone who reports a complaint under this Policy will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance.

If any personnel who makes a disclosure or complaint in Good faith, believes that he/she is being, subjected to discrimination, retaliation or harassment for having made a report under this Policy, he/she must immediately report those facts to ABMS Committee. It is imperative that such personnel bring the matter to the Company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately

## **10. MODIFICATION**

The Company may modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with local, state and central regulations and/or accommodate organizational changes within the Company.

## **11. CONTACT ADDRESS**

For the purpose of registering any complaint or for any questions/ query on this, please contact the Company at the following address:

**ABMS Committee**  
**Patel Engineering Limited**  
Patel Estate Road,  
Jogeshwari (West), Mumbai - 400102

Email: [abms@pateleng.com](mailto:abms@pateleng.com)

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In case if the Complaint is related to leak of USPI or suspected leak of UPSI, the complainant shall follow the procedure stated under Leak of UPSI Policy.

### **12. SECRECY / CONFIDENTIALITY**

- a. All concern(s) reported shall be kept confidential and may be shared strictly on a 'need to know' basis.
- b. The whistle-blower, the subject, the ABMS Committee, the investigator and everyone involved in the process shall:
  - i. Maintain complete confidentiality of the matter;
  - ii. Not keep the document(s)/ evidence(s) pertaining to the investigation unattended anywhere at any time;
  - iii. not keep the documents/papers unattended anywhere at any time; keep the electronic mails /files under proper custody; and
  - iv. not to reveal or disclose to media, press agency and/or any other persons.
- c. Whistle-blower's identity shall be disclosed only in following circumstances: The person agrees to be identified;
- d. Identification shall be necessary to allow PEL or law enforcement officials to investigate or respond effectively;
- e. Identification shall be required by law.