



**Pradeep Metals Limited**  
Manufacturers of Precision Closed Die Forgings

## WHISTLE BLOWER POLICY/VIGIL MECHANISM

### 1. Preface

Pradeep Metals Limited believes in conducting its affairs in fair and transparent manner, by adopting high standards of professionalism, honesty, integrity and ethical behaviour. The organization is committed to comply with the laws and regulations to which it is subject. For this, it has put in place systems, policies and processes to interpret and apply these laws and regulations in the organizational environment. These would help to strengthen and promote ethical practices and ethical treatment of all those who work in and with the organization.

The organization's internal controls & operating procedures are intended to detect and prevent improper activities. However, even the best of systems and controls cannot provide absolute safeguards against irregularities. Intentional and unintentional violations of the organization's policies could occur.

Towards this end, the organization has adopted the Code of Conduct (CoC), which lays down the principles and standards that should govern the actions of its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company.

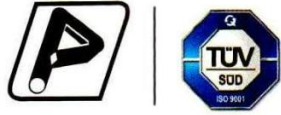
Through this policy, the organization is providing a window through which such irregularities may be brought to light, by individuals who may be interacting with / observing the organization in the course of its business. The information provided would be useful in making its processes and systems more robust, and sustainable.

- a. Section 177 of the Companies Act 2013 has made it mandatory for every listed Company to have a "Vigil Mechanism". Further Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides as a non- mandatory requirement 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.
- b. Accordingly, this Vigil Mechanism/ Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for employees and Directors in the employment of the Company to approach the Chairman of the Audit Committee of the Company in case of an unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. This policy would also help to create an environment where individuals feel free and secure to raise the alarm where they see a problem or a deviation. It will also ensure that whistle blowers are protected from retribution, whether within or outside the organization.

### 2. Definitions

The definitions of some of the key terms used in this Policy are given below.

2.1 "**Code**" means Code of Conduct (CoC).



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- 2.2 **“Whistleblower”** means an individual employee, Director, channel partner, business associate or a customer of the organization, who makes a Protected Disclosure, keeping the organization’s interests in mind.
- 2.3 **“Employee”** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company.
- 2.4 **“Protected Disclosure”** means a concern of material nature formally raised through a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual or suspected, but not speculative, regarding:
- fraudulent practices, such as improperly tampering with accounts and records, or theft of company property;
  - corruption, including bribery and money laundering;
  - breaches of the Code of Conduct
  - Any other matter of material nature
- but does not include personal grievances, such as professional development issues or Employee compensation.
- 2.5 **“Subject”** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- 2.6 **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance with with the provisions of section 177 of the Companies Act 2013 and the Rules made thereunder and as also Clause 49 of the Listing Agreement with the Stock Exchanges and reconstituted from time to time in compliance with any amendments to the applicable Act/Rules.
- 2.7 **“Investigators”** means persons authorized, appointed, consulted or approached by the Chairperson of the Audit Committee/ Vigil Mechanism Committee and Includes the Auditors of the Company and law enforcement authorities.
- 2.8 **“Vigil Mechanism Committee”** means a Committee which may be designated by the Audit Committee to handle complaints and the resolution process of Protected Disclosures.

### **3. Scope**

The Whistleblower’s Role is that of a reporting party, with reliable information. He/ she is not required or expected to act as investigators or finder of facts. He/ she cannot determine corrective actions either. Whistle blower does not have to obtain evidence in order to support his/ her information. His/ her role is simply to “Raise the Alarm”.

### **4. Eligibility**

All employees, channel partner, business associate or a customer of the organization, are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or any other Subsidiary Company.



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**5. Indications to Raise an Alarm**

A matter can be considered serious enough for an alarm to be raised if it satisfies any of the following conditions:

- i. Serious violation of any organization-level policy, indicating that certain internal control points are weak
- ii. Matter is likely to receive media or public attention
- iii. Exposes the organization to a significant monetary or non-monetary liability or loss of Profits
- iv. Points towards any event which is the result of criminal action e.g. Disappearance of cash/funds (SCoC)
- v. Indicates a significant threat to the health/safety of employees/community
- vi. Any other violation/possible violation of the Code of Conduct.

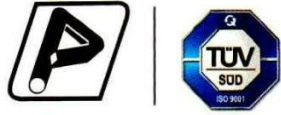
**EXCEPTIONS:**

Any matter which is an individual employee grievance relating to the terms and conditions of employment or cases of sexual harassment are to be reported to the relevant HR personnel and internal complaints committee respectively.

**6. Disqualification**

The following instances would be outside the purview of the Whistle Blower Policy.

- i. Bringing to light personal matters regarding another person, which are in no way connected to the organization.
- ii. Reporting information which, he/ she does not have an authorization to access.
- iii. While it will be ensured that genuine Whistle Blowers are accorded due protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action and would be taken up with utmost sternness. The violations would be investigated and dealt with by the Audit Committee.
- iv. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.
- v. Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make 3 or more Protected Disclosures, which have been subsequently found to be frivolous, baseless or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy.
- vi. Actions against such violations could range in their severity, if necessary even extending up to termination of one's employment/ contract/ association with the organization but not limited thereto. In this connection the recommendation of the Audit Committee will be binding, unless decided otherwise by the Board for just reasons.



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## 7. Procedure

All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.

If any executive of the Company other than Chairman of Audit Committee receives a Protected Disclosure, the same should be forwarded to the Chairman of the Audit Committee. Care must be taken to keep the identity of the whistle blower confidential.

Protected Disclosure against the Chairman of the Company should be addressed to the Chairman of the Audit Committee.

Protected Disclosure against the Chairman of the Audit Committee should be addressed to the Board of Directors.

Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed out or written in a legible handwriting in English, Hindi, regional language of the Whistle Blower's place of employment.

The Protected Disclosure should be forwarded under a covering letter, which shall bear the identity of the Whistle Blower. The Chairman of the Audit Committee as the case may be shall detach the covering letter and forward only the protected Disclosure to the investigators for investigation.

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.

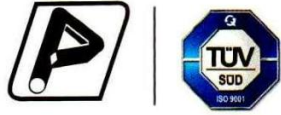
For the purpose of providing protection to the Whistle Blower, the Whistle Blower should disclose his/her identity only in the covering letter accompanying the Protected Disclosure.

## 8. Investigation

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairman of the Audit Committee who will investigate/ oversee the investigations under the authorization of the Audit committee. Chairman of Audit Committee may at their discretion consider involving any external investigators for the purpose of Investigation or form a separate Vigil Mechanism Committee.

Where a Protected Disclosure concerns any member of the Audit Committee or Vigil Mechanism Committee, that member of the shall be prevented from acting in relation to that Protected Disclosure. In case of doubt, the Chairman of the Board of Directors shall be responsible for determining whether a member of the Audit Committee/Vigil Mechanism Committee must recuse himself or herself from acting in relation to a Protected Disclosure.

The decision to conduct an investigation into a Protected Disclosure by itself is not an acceptance of the accusation by the Chairman of the Audit Committee and is to be treated as a neutral fact-finding process because the outcome of the investigation may or may not support accusation.



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Investigations will be launched only after a preliminary review which establishes that:

- a. the alleged act constitutes an improper or unethical activity or conduct, and
- b. either the allegation is supported by information specific enough to be investigated or matters that do not meet this standard may be worthy of Management Review

Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee/ Vigil Mechanism Committee when acting within the course and scope of their investigation.

Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.

The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of the investigation.

Unless there are compelling reasons not to do so, Subject will be given reasonable opportunity for hearing their side during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

Subject(s) shall have a duty to co-operate with the Audit Committee/ Vigil Mechanism Committee during investigation to the extent that such co-operation sought does not merely require them to admit guilt.

Subject(s) shall have right to access any document/information for their legitimate need to clarify/defend themselves in the investigation proceedings.

Subject(s) shall have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.

Subject(s) shall have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

The Chairman of the Audit Committee/ Vigil Mechanism Committee shall normally complete the investigation within 90 days of the receipt of protected disclosure.

In case of allegations against subjects are substantiated by the Chairman of the Audit Committee/ Vigil Mechanism Committee in their report, the Subject(s) shall be given an opportunity to explain their side.



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**9. Investigators**

Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from The Audit Committee Chairman when acting within the course and scope of their investigation.

Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.

Investigations will be launched only after a preliminary review by the Chairman of the Audit Committee, which establishes that:

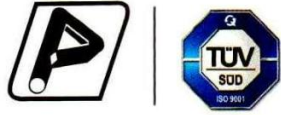
- i. The alleged act constitutes an improper or unethical activity or conduct and
- ii. The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review. Provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or conduct.

**10. Protection for Whistle-blowers**

The Audit Committee is responsible to ensure that the identity of the Whistle Blower is kept strictly confidential. However, in situations where the information provided may lead to uncovering some major issues, which are legal/ criminal in nature the informer's identity may have to be produced before the Police Authorities or in a Court of Law. In such cases, the above are responsible for ensuring that the identities of the whistle-blower/s are revealed only to the relevant authorities.

No unfair treatment will be meted out to a Whistle Blower 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 Whistle Blowers. Due protection will, therefore be given to Whistle Blowers against any unfair practices 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 Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.

Whistle-blowers are encouraged to immediately report any acts of retribution that have happened to them, due to the fact that they had made a disclosure of information.



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

Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Whistleblowers, who have been found to be making multiple Protected Disclosures which are mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Audit Committee/ Vigil Mechanism Committee would reserve its right to take/recommend appropriate disciplinary action.

### **11. Secrecy/ Confidentiality**

The Whistle Blower, the Chairman of the Audit Committee, Members of the Audit Committee/ Vigil Mechanism Committee, the Subject(s) and everybody involved in the process shall:

- a. Maintain confidentiality of all matters under investigation
- b. Discuss only to the extent or with those persons as required under this Policy for completing the process of investigations.
- c. Not to keep the papers unattended anywhere at any time.
- d. Keep the electronic mail/files under the password.

### **12. False allegations**

A person who makes false allegations as to unethical & improper practices or about alleged wrongful conduct of the subjects to the Audit Committee/ Vigil Mechanism Committee shall be subject to appropriate disciplinary action.

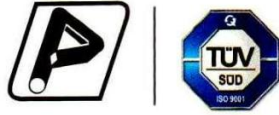
### **13. Decision**

#### **1. Decision**

If an investigation leads the Chairman of the Audit Committee/ to conclude that an improper or unethical act has been committed, the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective actions as they deem fit. It is clarified that 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.

#### **2. Reporting**

The Chairman of the Audit Committee shall on a quarterly basis/need basis report about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.



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**3. Retention of Documents**

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of eight years or such other period as specified by any other applicable law in force, whichever is more.

**4. Communication of the Policy**

The HR Department would communicate the policy across the organization and to the other stakeholder groups, using various channels and media of communication, to ensure that all concerned, understand the intent & modus operandi of this policy.

The Policy shall therefore be published by the Company on the website of the Company for wider dissemination to employees.

**5. Amendment**

On recommendation of the Audit Committee, the Board would review the policy and update it once in two years, or as and when a new development occurs which needs a change in the policy, whichever is sooner.

Any policy update or renewal would be communicated to all the persons to whom this policy is applicable.

**14. Address for communication:**

Mr. Kartick Maheshwari  
Chairman Audit Committee Pradeep Metals Limited  
One Indiabulls Centre 13th Floor, Tower 1  
841 Senapati Bapat Marg Mumbai - 400 013.  
E-mail: kartick.maheshwari@khaitanco.com

**15. Indicative format for reporting by Whistle Blower:**

Date:

Name of the Employee/Director E-mail id:

Communication Address Contact No.

Subject matter which is reported

Name of the Person; Designation and Department /incident focused at Elaborate in detail the nature of violation

List of Documents/Copies relied upon in support of the allegation (to be attached)

Approved by Board of Directors on 22<sup>nd</sup> May, 2025