

Vigil Mechanism / Whistle Blower Policy

Prime Focus Technologies Limited

1. Preamble and Objective

Prime Focus Technologies Limited (“PFT” or “the Company”) considering the interest of all its well-wishers, who want to report the genuine concerns within the organization, implements the Vigil Mechanism/Whistle Blower Policy (“the Policy”). The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concerns for the Company. Vigil Mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Further sub-section (9) of section 177 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 provides that *“every listed company and other class of companies shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.”*

Under these circumstances, PFT proposes to establish a Vigil Mechanism/Whistle Blower Policy/ and to formulate a policy for the same.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without any fear whatsoever in nature or any unfair treatment. A vigil mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or any Policy of the Company

2. Regulatory References

(i) Section 177 of the Companies Act, 2013;

(ii) The Companies (Meetings of Board and its Powers) Rules 2014.

3. Applicability

The Policy is approved by the Board vide its resolution dated October 27, 2014 and shall effective from October 27, 2014.

4. Scope of the Policy

The Policy covers malpractices and events which have taken place / suspected to have taken place, is being taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company's rules and policies, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and to report the same in accordance with the Policy.

5. Definition

a) "**Alleged wrongful conduct**" includes malpractices and events which have taken place / suspected to have taken place, is being taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company's rules and policies, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected or any similar acts".

Explanation: *alleged wrongful conduct* shall be treated as *concern* as prescribed under sub-section (9) of section 177 of the Companies Act, 2013.

b) "**Audit Committee**" means a Committee constituted by the Board of Directors of the Company in accordance with Companies Act, 2013.

c) "**Board**" means the Board of Directors of the Company.

d) "**Company**" means the Prime Focus Technologies Limited

e) "**Code**" means Code of Conduct for Directors and Senior Management Executives adopted by Company.

- f) **“Employee”** means all the present employees and Directors of the Company (whether working in India or abroad).
- g) **“Protected Disclosure”** means a 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 one or more alleged wrongful conduct with respect to the Company to the vigilance and ethics officer.

Explanation: Protected Disclosure should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

- h) **“Subject”** means a person or group of persons against or in relation to whom a protected disclosure is made and includes a person or group of persons against whom the evidence gathered during the course of an investigation.
- i) **“Vigilance and Ethics Officer”** means an officer appointed to receive protected disclosures from whistle blower, providing adequate safeguards to the whistle blower, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the result thereof.
- j) **“Whistle Blower”** is an employee or group of employees who makes a Protected Disclosure under the Policy.

6. Eligibility

Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters relating to alleged wrongful conduct.

7. Receipt and Disposal of Protected Disclosures

- a) All Protected Disclosures should be reported in writing by the whistle blowers as soon as possible after the whistle blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a

legible handwriting in English/regional language commonly understood and spoken by the people where the office is located.

- b) The Protected Disclosure should be submitted in a closed and sealed envelope and should be super scribed as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy”. If the Protected disclosure is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the Whistle Blower and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the whistle blower, the Vigilance and Ethics Officer will not issue any acknowledgement to the Whistle Blower and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the Whistle Blower.
- c) Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- d) The Protected Disclosure should be forwarded under a covering letter signed by the Whistle Blower. The Vigilance and Ethics Officer / Chairman of the Audit Committee/ CEO/Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
 - a. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/CEO/Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer is as under:-

Name and Address

Mr. Saumya Dwivedi
Prime Focus Technologies Limited
'True North', 63, Road No 13 MIDC,
Andheri (East) Mumbai 400 093
Email- ombudsperson@primefocus.com

- b. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman/ CEO of the Company should be addressed to the Chairman of the Audit Committee.

Name and contact details

The contact details of the Chairman, CEO and the Chairman of the Audit Committee are as under:

Name and Address of Whole-time Director

Mr. Ramakrishnan Sankaranarayanan

'True North', 63, Road No 13

MIDC, Andheri (East)

Mumbai 400 093

Email- ramki.san@primefocusworld.com

Name and Address of Chairman of the Audit Committee

Mr. Samu Devarajan

185, Palm Meadows Phase I,

Airport Whitefield Road, Bangalore, 560066

Email- sdev@transmationconsulting.com

- e) On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ CEO / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the Whistle Blower whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record shall includes: -
- i. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
 - ii. Whether the same Protected Disclosure was raised previously on the same subject;
 - iii. Details of actions taken by Vigilance and Ethics Officer / Chairman/ CEO for processing the Protected Disclosure;

- iv. Findings of the Audit Committee;
 - v. The recommendations of the Audit Committee/ other action(s);
 - vi. Such other records as the circumstances requires;
- f) The Audit Committee, if deems fit, may call for further information or particulars from the Whistle Blower.

8. Investigation and Procedure thereof

- a) All protected disclosures under the Policy will be recorded and thoroughly investigated;
- b) The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation;
- c) The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process;
- d) Subject will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation;
- e) Subject shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard;
- f) Subject has a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower;
- g) Subject has a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject;
- h) Unless there are compelling reasons not to do so, subject shall be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against

a subject shall be considered as maintainable unless there is good evidence in support of the allegation;

- i) Subject has a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company;
- j) The investigation shall be completed normally within ninety days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit; however, the justification for the extension of time shall be recorded by the Audit Committee;

9. Decision

If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an Alleged wrongful conduct has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may 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 the Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

10. Reporting

- a) The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any;
- b) In case the Subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee, if deem fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure;

- c) The vigilance and Ethics officer shall also forward a copy of the final report as a result of outcome to the Whistle Blower in the sealed envelope;
- d) If the report of investigation is not to the satisfaction of the Whistle Blower, the Whistle Blower has the right to report the event to the appropriate legal or investigating agency;
- e) A Whistle Blower who makes false alleged wrongful conduct against the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company;

11. Secrecy/Confidentiality

- a) The whistle blower, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
 - i. Maintain confidentiality of all matters under the Policy;
 - ii. Discuss only to the extent or with those persons as required under the Policy for completing the process of investigations;
 - iii. Not keep the papers unattended anywhere at any time;
 - iv. Keep the electronic mails / files under password;

12. Protection

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under the Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection shall, therefore, be given to Whistle Blowers against any unfair practice 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.

- b. 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.
- c. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the whistle blower will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the whistle blower being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying the Policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- e. Provided however that the whistle blower before making a protected disclosure has reasonable belief that an issue exists and he has acted in good faith. Any protected disclosure not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the whistle blower shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. The Policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to the Policy.

13. Disqualification

Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide or malicious or Whistle Blowers who make three 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 the Policy.

14. Access to Chairman of the Audit Committee

The Whistle Blower shall have right to access 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.

15. Communication

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the Company.

16. 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 period of seven years or such other period as specified by any other law in force, whichever is more.

17. Administration and Review of the Policy

The Chief Executive Officer shall be responsible for the administration, interpretation, application and review of the Policy. The Chief Executive Officer shall be empowered to bring about necessary changes to the Policy, if required, at any stage with the concurrence of the Audit Committee.

18. Amendment

The Company reserves its right to amend or modify the Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employee unless the same is notified to them in writing.