



SMILE ELECTRONICS LIMITED

Leading EMS Organisation ISO 9001
ISO 14001, IATF16949 & AS 9100 Certified
CIN No. : U85110KA1998PLC023993

VIGIL MECHANISM & WHISTLEBLOWER POLICY

1. Objective

SMILE ELECTRONICS LIMITED is committed to developing an open and transparent culture where it is safe for all employees to raise concerns about any unacceptable and unethical practices, including misconduct. This policy is formulated to help employees who have major concerns over unethical and improper practices in the Company.

2. Definitions

Definitions of some of the key terms used in the Policy are given below:

- a. “Employee” means every Employee of **SMILE ELECTRONICS LIMITED** including all Directors appointed/employed in the Company.
- b. “Concern” means any actual or possible violation of the Code of Conduct or an event that could adversely affect the Business or reputation of **SMILE ELECTRONICS LIMITED**.
- c. “Whistleblower” means an Employee making a protected disclosure under this Policy.

3. Applicability

This Policy applies to all Employees of **SMILE ELECTRONICS LIMITED** as defined under this Policy.

4. Scope of the Policy

The Policy intends to cover following instances of suspected unethical and improper practices or wrongful conduct, which employees in good faith believe to exist. The specific examples listed below are only illustrative and should not be construed as exhaustive.

- Criminal offences (corporate fraud, corruption, bribery or theft), which has

REGISTERED OFFICE AND WORKS
Plot No 13 Bhattarahalli K R Puram Old Madras Road
Bangalore 560 049 India
Tel: 91 80 40382727, Fax: 91 -80 40382715, 40382720

e-mail: smile@smileelectronics.com, website: www.smileelectronics.com



SMILE ELECTRONICS LIMITED

Leading EMS Organisation ISO 9001
ISO 14001, IATF16949 & AS 9100 Certified
CIN No. : U85110KA1998PLC023993

been or likely to be committed

- Unethical business conduct and serious regulatory or financial irregularities
- Misappropriation / misuse of company funds or assets
- Falsification of transactions / documents
- Mis-statement in the company's financial records
- Misuse of authority
- A substantial and specific danger to public health and safety
- Discrimination against any member of the staff due to gender, religion, caste, etc.
- Sexual harassment.

5. Procedure

Employees having any concerns as defined under this Policy are encouraged to raise their concerns. All concerns will be reported to **the Managing Director of the Company** who will act on it without compromising the whistleblower in any way. In case of conflict of interest with the above two authorities, the report will be passed to **Chairperson of the Audit Committee of the Board of SMILE ELECTRONICS LIMITED.**

The identity of the whistleblower will be kept confidential, and will be disclosed only if it becomes necessary for investigation purposes or in certain circumstances where it is legally required to be so disclosed. The whistleblower raising the concern is expected to give the background and history of his/her concern and the reason why he/she is particularly concerned about the circumstances. Factual data should be provided to the extent possible.

The concerned authorities shall appropriately and expeditiously investigate the concern raised by the employee and inform him/her of the outcome. Where necessary, a detailed investigation may be directed to be conducted, if necessary, by an independent external agency. The concern raised may be approached in any of the following ways:

- By adopting procedures, especially with regard to dealing with concerns relating to accounting and internal controls.

REGISTERED OFFICE AND WORKS
Plot No 13 Bhattarahalli K R Puram Old Madras Road
Bangalore 560 049 India
Tel: 91 80 40382727, Fax: 91 -80 40382715, 40382720

e-mail: smile@smileelectronics.com, website: www.smileelectronics.com



SMILE ELECTRONICS LIMITED

Leading EMS Organisation ISO 9001
ISO 14001, IATF16949 & AS 9100 Certified
CIN No. : U85110KA1998PLC023993

- Through other relevant procedures / processes that are already in place.
- Internal investigation.
- Referring to external regulatory or law enforcement officials.
- Referring to external auditors or firms, subject to the findings of an independent internal enquiry.
- Or a combination of the above.

In case of exceptional reasons, an employee can raise the concern directly with the Chairperson of the Audit Committee (Mr. Veeraraghavan Sankaran, Independent Director of the Company)

6. Action arising from the investigation

Based on the report of the investigation, the Chairperson of the Audit Committee/Managing Director shall ensure that remedial action, where required, is taken in a timely manner dependent on the gravity of the misconduct. This action could result in any of the following:

- Suspension
- Stoppage of increments/promotion
- Dismissal
- Any other action, legal or otherwise including withholding / non-payment of employee dues, if the misconduct involves fraud, financial irregularities etc.

The whistleblower raising the concern shall be given the necessary feedback on the concern raised in a time bound manner unless prevented by legal constraints.

7. Protection

The management will ensure no action will be taken against an whistleblower who makes an allegation / raises a concern in good faith, reasonably believing it to be true and will also ensure there is no discrimination, harassment, victimization or retaliation against the whistleblower who has raised the concern in good faith. In case retaliation by a fellow employee including his/her immediate superior is

REGISTERED OFFICE AND WORKS
Plot No 13 Bhattarahalli K R Puram Old Madras Road
Bangalore 560 049 India
Tel: 91 80 40382727, Fax: 91 -80 40382715, 40382720

e-mail: smile@smileelectronics.com, website: www.smileelectronics.com



SMILE ELECTRONICS LIMITED

Leading EMS Organisation ISO 9001
ISO 14001, IATF16949 & AS 9100 Certified
CIN No. : U85110KA1998PLC023993

brought to the attention of the Chairperson of the Audit Committee/Managing Director of the Company, who will direct an investigation against such employee or superior and ensure that appropriate disciplinary action, as necessary is taken.

8. Disqualification

While it is ensured that genuine whistleblower is provided complete protection from any kind of unfair treatment, any misuse of this protection will warrant appropriate disciplinary action.

9. Periodic Reporting

The Audit Committee of the Company shall oversee the Vigil mechanism and Whistleblower Policy of the Company.

10. Power to amend

The management of **SMILE ELECTRONICS LIMITED** reserves the right to amend, abrogate or revise any or all of the above clauses depending upon the exigencies of the business and/or as per the provisions of the Companies Act, 2013 as and when necessary.

REGISTERED OFFICE AND WORKS
Plot No 13 Bhattarahalli K R Puram Old Madras Road
Bangalore 560 049 India
Tel: 91 80 40382727, Fax: 91 -80 40382715, 40382720

e-mail: smile@smileelectronics.com, website: www.smileelectronics.com