

NIHON

**NIHON IMPEX PRIVATE
LIMITED**

**WHISTLE BLOWER POLICY
OR
VIGIL MECHANISM POLICY**

INTRODUCTION

Nihon Impex Private Limited is committed to develop a culture where it is safe for all employees to raise concern about instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct and any poor or unacceptable practice including violation of law in force.

Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of the Board & its Powers) Rules, 2014 requires every Company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for its Directors and Employees, to report genuine concerns, and to freely communicate their concerns about illegal or unethical practices.

The Vigil Mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

OBJECTIVE

- This Policy aims to maintain the standard of business conduct and ethics expected of everyone who carries out work for or on behalf of for the Company and also ensuring compliance with legal requirements.
- This policy also seeks to serve as a guideline for reporting of fraud to the various regulatory authorities as required by such authorities from time to time.
- This Policy does neither release the Employees and Stakeholders from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.
- It provides necessary safeguards for protection from reprisals or victimization of Whistle Blower, blowing the whistle in good faith.
- It encourages the Whistle Blower to communicate to the Management, behaviour or practice, that they may be aware of and which they suspect to be unethical, illegal or otherwise inappropriate and harmful to the Company.
- To provide necessary safeguards against victimisation of Employees and Directors who avail of the mechanism.

DEFINITIONS

'Whistle Blower' means anyone who has made a complaint/protected disclosure under this policy and also referred to in this policy as complainant.

'Audit Committee' is a committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof).

"Good Faith" means complainant shall be deemed to be communicating in 'good faith' if there is a reasonable basis for communication of fraud or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the complainant does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the fraud or alleged wrongful conduct is malicious, false or frivolous.

'Victimization' means punishment or discrimination against the Whistle Blower selectively or unfairly for making a complaint in good faith.

COVERAGE

The Policy covers malpractices and events which have taken place/suspected to take place involving:

- Abuse of authority
- Breach of contract
- Leakage of Unpublished Price Sensitive Information
- Negligence causing substantial and specific danger to public health and safety
- Manipulation of company data/records
- Financial irregularities, including fraud or suspected fraud or Deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports
- Any unlawful act whether Criminal/ Civil
- Pilferation of confidential/propriety information
- Deliberate violation of law/regulation
- Wastage/misappropriation of company funds/assets
- Breach of Company Policy or failure to implement or comply with any approved Company Policy

WHISTLE BLOWER PROTECTION & CONFIDENTIALITY

- a. **Confidentiality:** Every effort will be made within parameters of legal constraints to protect the Complainant's identity.
- b. **Ownership of Complaint:** Complainant(s) will be obliged to put their names to their complaints and allegations made therein as investigation may not be possible unless the source of the information is identified. Anonymous/pseudo anonymous or frivolous complaint, if not supported by the relevant evidence may not be investigated under this policy.

- c. Malicious Allegations:** Complaint or Allegations by any Complainant arising from malicious intent may result in disciplinary/ penal action against such complainant, without prejudice to other legal remedies.
- d. Harassment or Victimization:** Harassment or victimization of the Complainant raising a genuine concern by any employee of the Company may constitute sufficient grounds for action under Discipline and Appeal Rules (DAR) against such errant employee involved in harassment or victimization of the complainant.
- e. Complaint made in Good Faith:** If one raises a concern under this Policy, complainant will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing his / her job or suffer loss in any other manner like 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/her duties/functions including making further complaint, as a result of reporting under this Policy. The protection is available provided that: (a) the communication/ disclosure is made in good faith, (b) he/ she reasonably believes that information, and any allegations contained in it, are substantially true and (c) he/ she is not acting for personal gain.
However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.
- f.** Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

PROCEDURE

Mrs. Nisha Chajjer, Company Secretary and Compliance Officer of the Company, has been appointed as the "Vigilance Officer", who can be contacted in writing at the Registered Office of the Company or on telephone at 0551-2990101 or on email at compliance@nihonimpex.com

He/She shall be responsible for the following functions:

1. To receive and record any complaints under this policy.
2. To ensure confidentiality of any "Whistle Blowing" complainant who requests that his/her complaint be treated in confidence.
3. To prepare a report of any whistle blowing complaint and send the report promptly to the Audit Committee Members. A copy of the report

shall be simultaneously sent to the Managing Director and/or Executive Director for investigation. The Managing Director / Executive Director, after investigation, shall place a report to the Audit Committee for discussion and decision. The Audit Committee Members shall then discuss the same and take necessary action.

4. The Vigilance Officer shall communicate the Audit Committee's decision to the complainant for his/her information.

REVISION OF POLICY

Management reserves the right to revise this policy at any time and in any manner without notice. Any amendment to the Policy shall take effect from the date when it is approved by the Board of Directors of the Company. Any change or revision will be communicated appropriately.
