

NIRMA LIMITED

Vigil Mechanism / Whistle Blower Policy

As amended by Board of Directors on 13th February, 2025.



NIRMA LIMITED

Vigil Mechanism / Whistle Blower Policy

Purpose

The Company believes in conducting its affairs in a fair and transparent manner by inducting Vigil Mechanism. The Company is required to establish Vigil Mechanism for directors, employees and stakeholders to report their genuine concern or grievances, as per the provisions of the section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 thereof and regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 (“Listing Regulations”).

In terms of Regulation 4(2)(d) of Listing Regulations, it is mandatory requirement for all listed companies to devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Regulation 9A(6) the SEBI (Prohibition of Insider Trading) Regulations, 2015 requires that every listed company shall have a whistle-blower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information as defined under these regulations effective from 1st April, 2019.

Objective

The mechanism/policy aims at:

- a) To allow and encourage directors and stakeholders, including individual employees and their representative bodies to bring to notice of the management and freely communicate, concerns about unethical behavior/practices, Serious Misconduct or Wrongful Activities (as mentioned hereunder) without fear of reprisal.
- b) To ensure timely organizational response and thereby strengthening transparency and trust in the organization.
- c) To provide a framework and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information and secure whistle blowing.



- d) to provide adequate safeguards against victimization of directors or employees or any other person who avail the mechanism and also to provide direct access to the chairperson of the Audit Committee of the Company in appropriate or exceptional cases.

DEFINITIONS

“Whistle-blower” means any Stakeholder who raises a concern about any information on serious misconduct and wrongful activities.

“Stakeholder” means directors, employees and their representative bodies and for the limited purpose of this Policy includes others with whom the Company has financial or commercial dealings.

Words and expressions used in this policy shall have the same meanings respectively assigned to them in the Act and / or the Listing Regulations and the Rules, Notifications and Circulars made/issued thereunder, as amended, from time to time.

Serious Misconduct and Wrongful Activities:

The information on serious misconduct and wrongful activities is such information which the Stakeholder in good faith, believes and/or evidences and inter alia includes:

- a) Conduct which result in violation of any law or regulation.
- b) Conflict of interest.
- c) Illegal or unethical practices, mismanagement, Gross wastage or misappropriation of the Company's funds/ assets including but not limited to actual or suspected fraud, corruption, bribery, theft, coercion and willful omission.
- d) Manipulation of the Company's data/records.
- e) Leaking confidential or unpublished price sensitive information.
- f) Unofficial use of Company's materials/human assets and an abuse of authority.
- g) Activities violating Company policies including Code of Conduct.
- h) A substantial and specific danger to public health and safety.
- i) An act of discrimination or sexual harassment

Reporting:

Any employee or Stakeholder which has sufficient reasons to believe that any act of Serious Misconduct or Wrongful Activities has occurred or is occurring within the organization,



he/she may immediately report the same to his/her immediate HOD or the HR Head of the Company, in writing.

While making aforesaid report of alleged misconduct, he/she must provide sufficient grounds and document, if any, in support of his/her report, to the concerned HOD. The concerned HOD or the HR Head shall report such complaints to the Chairman of the Audit Committee of the Company.

If, for any reason, the concerned employee or Stakeholder does not feel comfortable in discussing the matter with either his/her HOD or HR Head, he may directly bring the matter to the attention of Chairman of the Audit Committee of the Company. The Company provides for direct access to any stakeholder to the Chairperson of the Audit Committee of the Company in appropriate or exceptional cases.

It is advisable to report the matter in confidence with the details which would help in investigation & seeking further inputs and also in providing feedback.

Investigation:

All complaints under this policy will be promptly investigated and all information disclosed during the course of investigation will remain confidential except as necessary to conduct the investigation and to take any remedial action, in accordance with applicable laws.

During the course of investigation, the Complainant may be asked to substantiate his claim and provide such other information as may be required.

If, at the conclusion of its investigation, the Company determines that a serious misconduct or wrongful activities has occurred, the Company will take all effective remedial action against the concerned person, commensurate with the severity of the offence. Reasonable and necessary steps will also be taken to prevent any such violation.

Protection:

1. The Complainant Stakeholder including director or employee as the case may be and any person assisting in the said investigation, shall be protected against unfair treatment or any kind of discrimination, harassment, victimization or any other unfair employment practice.
2. The identity of Complainant shall be kept confidential and shall not be disclosed unless required under any law.



False Disclosure

Any Stakeholder including director or employee who knowingly make false or malafide allegations or unethical and improper practices shall be subject to disciplinary action including termination of employment and will not be eligible for protection as mentioned above. Further, this policy cannot be used as a defense by an Stakeholder including director or employee against whom adverse action has been taken on some other account independent of any disclosure made / to be made by him/her.

Right of Refusal

Upon receipt of complaint, the chairman of Audit Committee of the Company shall have the right to refuse investigation or may not pursue the matter if they are not supported by proper evidence and are mere allegations.

Amendment

Any amendment / modification in the Act and/or Listing Regulations and / or any other laws in this regard shall automatically apply to align with this policy, for which no approval of Board would be required. However, the Board may also make any amendments to the policy from time to time.

