

NIRLON LIMITED

Western Express Highway,
Goregaon (E), Mumbai - 400 063.
T +91-22-4028 1919 / 2685 2256 - 59.
F +91-22-4028 1940.
www.nirlonltd.com. Email:info@nirlonltd.com
CIN:L17120 MH1958PLC 011045



November 12, 2018

← **The Secretary,**
BSE Limited,
P.J. Towers,
Dalal Street,
Mumbai- 400 001.

Security Code: 500307

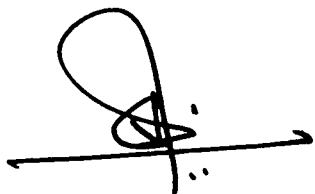

Dear Sir,

Sub: Outcome of the Board meeting held on November 12, 2018

Ref: Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby inform you that interalia; the following items were considered by the Board of Directors of the Company at their meeting held on November 12, 2018:

1. Modifications (highlighted in italics with yellow color) to the Code of Conduct for Board Members and Designated Employees (**CCBE**) ; and
2. Consequential amendment to the Whistle Blower (**WB**) Policy.

NIRLON LIMITED

Western Express Highway,
Goregaon (E), Mumbai - 400 063.
T +91-22-4028 1919 / 2685 2256 - 59.
F +91-22-4028 1940.
www.nirlonltd.com, Email:info@nirlonltd.com
CIN:L17120 MH1958PLC 011045

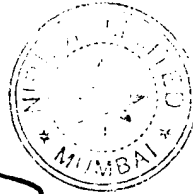


These matters were approved by the Board of Directors.

The above said information with details will also be made available on the website of the Company i.e. "**www.nirlonltd.com**".

We request you to take the same on record.

Thanking you,
Yours faithfully,
For Nirlon Limited



Jasmin K. Bhavsar

Company Secretary, Vice President (Legal) & Compliance Officer

FCS 4178

Encl: a/a.

Code of Conduct for Board Members and Designated Employees (CCBE) of Nirlon Limited (Effective from March 29, 2016)*

I. Background, Introduction of Listing Obligations and Disclosure Requirements (LODR), 2015 by SEBI, Amendment & Adoption of the Code of Conduct

i. Background

The Board of Directors ("**the Board**") of Nirlon Limited ("**the Company**" or "**NL**"), adopted the Code of Conduct for Board Members and Designated Employees (**CCBE**) of Nirlon Limited and the same was effective from July 26, 2014.

The Nirlon CCBE was framed in compliance with the provisions of Clause 49 of the Listing Agreement entered into by the Company with the BSE Limited, Mumbai (the Stock Exchange).

ii. Introduction of LODR, 2015 by SEBI

SEBI introduced LODR, 2015, effective from December 1, 2015. The LODR provides inter alia, various regulations, annexures and schedules, and all listed companies are required to comply with the LODR, 2015.

iii. Amendment to the CCBE

The LODR, 2015 do provide specific regulation with respect to the CCBE, and hence, the CCBE originally adopted by the Board is required to be amended suitably.

iv. Adoption of the CCBE

The Directors on March 29, 2016 approved the revised CCBE in compliance with the LODR, 2015.

II. Objectives

1. The CCBE envisages that "**the Board**" and Designated Employees must act within the boundaries of the authority conferred upon them, and with a duty to comply with the requirements of applicable laws, while discharging their duties and responsibilities.
2. The Principles prescribed in CCBE are general in nature, and lay down broad standards of compliance and ethics, as required by Regulation 17 (5) (a) and 26 of the LODR, 2015. The Board and Designated Employees shall also refer to other applicable policies and procedures of the Company for specific instructions and guidelines, which are to be read in conjunction with the CCBE.

III. Definitions and Interpretations

Unless repugnant to the meaning or context thereof, the following expressions, wherever used in this CCBE, shall have the meaning assigned to them below:

- i. **“Board”** shall mean directors on the Board of the Company from time to time;
- ii. **“Relative”** shall have the same meaning as defined in Section 2(77) of the Companies Act, 2013;
- iii. **“Designated Employees / Senior Management”** shall mean personnel of the Company who are Functional Heads excluding the Board of Directors. This would comprise all members of management one level below the Board and up to three levels;
- iv. **“Whole-Time Director”** shall mean a Director who is in the whole time employment of the Company. (i.e. Executive Director);
- v. **“Non-Executive Director”** shall mean Directors who are not in whole time employment of the Company;
- vi. **“SEBI (LODR) Regulations, 2015”/“LODR,2015”** means Listing Obligations and Disclosure Requirements Regulations, 2015 as notified by the Securities and Exchange Board of India on September 02, 2015 effective from December 01, 2015, and any modification and amendment thereto;
- vii. **“Confidential Information”** means any information concerning the Company’s business, its customers and suppliers etc, which is not in public domain and to which only the Board Members and Designated Employees have access; and
- viii. **“Corruption”** means and includes its various forms but often involves the giving of (or offering to give) a financial or other advantage of value to another person, with the intention of inducing that person to act improperly or to reward that person for acting improperly.

IV. Applicability

The CCBE shall be applicable to:

- i. the Board Members; and
- ii. the Designated Employees

V. Duties

The Board Members and Designated Employees shall:

- i. Act in accordance with the highest standard of honesty, ethics, good faith and integrity while working for the Company as well as

while representing the Company, and fulfill their fiduciary obligations without allowing their independence of judgment to be compromised;

- ii. Not involve themselves in making any decision on a subject matter in which a conflict of interest arises or could arise, between their personal interest and the interest of the Company. In the event of apprehending such conflict of interest, the relevant facts shall be disclosed in writing, explaining the circumstances that create or could create the conflicts of interest, to the Board Member(s) for further directions in the matter;
- iii. Not have any personal financial interest in works or contracts awarded by the Company, unless approved by the Board taking note of such interest;
- iv. Not (including his/her relatives/ associates) derive any undue personal benefits or advantage by virtue of his/ her position or relationship with the Company;
- v. Not hold any position(s) or job(s) or engage in any outside business or other interests that adversely affect the performance of duties for the Company. Whole time Directors and Designated Employees are expected to devote their full attention to the business interest of the Company;
- vi. Not exploit for their own personal gain, opportunities that are discovered through Company's business, information or position, unless the opportunity is disclosed fully in writing to the Board;
- vii. Comply with all applicable laws, rules, and regulations of the land both in letter and spirit;
- viii. Comply with the Code of Conduct for Prevention of Insider Trading;
- ix. Not disclose to any person any confidential information unless:-
 - a. authorized to do so by the Board, or
 - b. it is required to be disclosed in accordance with applicable laws;

It is clarified that the Company may collect, use and process employees' personal data in a fair and lawful manner. Employees should have no expectation of privacy in relation to their use of the information technology systems of the Company, except as required under applicable laws.

- x. *Not offer / provide extravagant or inappropriate hospitality, gifts or entertainment by the Company to third parties. It is clarified that entertaining clients and business contacts is usual commercial*

practice and can have significant relationship benefits. However, it should not be used as a substitute for business meetings that would ordinarily occur in the workplace. Justification and documentation of the business relationship and purpose of entertainment expenditure is required. The choice of attendees and venue must be appropriate for the business purpose and expected benefits of the event. Gifts and hospitality received or given should be modest in value. Employees should also take care to ensure that no payment or reward is made, received, requested or offered in circumstances where it could be perceived as intended for the purposes of pursuing, encouraging or influencing the performance of an illegal or improper act.

- xi. Facilitate and create an environment which enables the Company to offer an equal opportunity through a process of continuous improvement, to fully integrate equal opportunity into all aspects of its activities. In other words, create an environment which is able to offer recruits and assesses both prospective and current employees fairly and equitably based on their merits and suitability to perform their job duties, and their ability and enthusiasm to meet the Company's expectations of them. The Company will not take into account any attributes unrelated to the requirements of the position.

It is clarified that the Company expects all employees to treat each other with decorum, respect and to foster a culture where business activities are conducted in an atmosphere of dignity and mutual respect. The Company is committed to providing a safe, dignified and non-intimidating work environment free from discrimination, harassment (including sexual harassment), victimisation and bullying and strictly prohibits these behaviours in its workplace. An employee who engages in such conduct may be subject to disciplinary action, up to and including termination of employment.

VI. Obligations with respect to Directors and Senior Management/Designated Employees under Regulation 26of the LODR, 2015

1. A director shall not be a member in more than ten (10) committees or act as chairperson of more than five (5) committees across all listed entities in which he is a director which shall be determined as follows:
 - (a) the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies; and

companies under Section 8 of the Companies Act, 2013 shall be excluded;

(b) for the purpose of determination of this limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone shall be considered.

2. Every director shall inform the listed entity about the committee positions he or she occupies in other listed entities and notify changes as and when they take place;
3. All members of the Board of Directors and Senior Management personnel shall affirm compliance with the CCBE on an annual basis;
4. Non-executive directors shall disclose their shareholding, held either by them or on a beneficial basis for any other persons in the listed entity in which they are proposed to be appointed as directors, in the notice to the general meeting called for appointment of such director;
5. Senior Management shall make disclosures to the board of directors relating to all material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the listed entity at large.

Explanation- For the purpose of this sub-regulation, conflict of interest relates to dealing in the shares of a listed entity, commercial dealings with bodies which have shareholding of management and their relatives etc.

VII. Enforcement of CCBE

- i. Mr. Jasmin K. Bhavsar, Company Secretary & Vice President (Legal), shall be the Compliance Officer for the purpose of this CCBE;
- ii. Each Board Member and Designated Employees shall be accountable for fully complying with this CCBE;
- iii. Compliance Officer shall report the breach of this CCBE; if any; which comes to his notice to the Board;
- iv. All Board Members and Designated Employees shall be subject to investigation of possible violation of CCBE;
- v. The Executive Director shall determine the penalty for breach of CCBE by the Designated Employees. In case of breach of CCBE by the Board Member(s), the Board shall examine and initiate suitable disciplinary action.

VIII. Amendments to the CCBE

The provisions of this CCBE can be amended and modified by the Board from time to time and all such amendments and modifications shall take effect from the date stated therein. All Board Members and Designated Employees shall be duly informed of such amendments and modifications.

IX. Placement of CCBE on Website

Pursuant to Regulation 46 (2)(d) of the LODR, 2015, the CCBE and any amendments thereto shall be posted on the website of the Company i.e. www.nirlonltd.com.

X. Affirmation of Compliance of the CCBE

As required under Regulation 26(3) of LODR, 2015, all Directors and Designated Employees shall affirm compliance with this CCBE on an annual basis.

The Annual Report of the Company shall contain a declaration to this effect signed by the Chairman.

XI. Waivers

Waiver of any provisions of this CCBE must be granted in writing by the Board.

XII. Overriding Effects

The CCBE shall not override the Act and/ or the Regulation. Any amendment and/ or modification to the Act / the Regulation shall prevail over the CCBE.

Any provision contained in the CCBE to the extent to which it is inconsistent or repugnant to the provisions of the Act / the Regulation shall become or be void, as the case may be.

*** POST INTRODUCTION OF LODR, 2015 BY THE SEBI**

Modified and approved by the Board of Directors on Novemebr12, 2018

Nirlon Limited's Whistle Blower (WB) Policy **(Effective from March 29, 2016)***

I. Background, Introduction of LODR, 2015 by SEBI, Amendment & Adoption of the WB Policy

1. Background

The Board of Directors ("**the Board**") of Nirlon Limited ("**the Company**" or "**NL**") , adopted the Whistle Blower (**WB**) Policy and procedures with regard to a Vigil Mechanism and a Whistle Blower on November 13, 2014 in order to comply with section 177 of the Companies Act, 2013, and the amended Clause 49 of the Listing Agreement.

2. Introduction of LODR, 2015 by SEBI

SEBI introduced Listing Obligations & Disclosure Requirements Regulations, 2015 (**LODR, 2015**) effective from December 1, 2015. LODR, 2015 provide, inter alia, various regulations, annexures and schedules and all listed companies are required to comply with the provisions of the LODR, 2015. With the introduction of the LODR, 2015, the BSE Listing Agreement comes to an end.

3. Amendment to the WB Policy

LODR, 2015 do provide specific regulation with regard to WB and hence, the WB Policy originally adopted by the Board is required to be amended suitably by deleting the reference of clause 49 of the BSE Listing Agreement as the same is repealed.

4. Adoption of the WB Policy

The Directors on March 29, 2016 approved the revised WB Policy in compliance with the Act and the LODR, 2015.

II. Objectives

1. The Company believes in the conduct of its affairs in a fair and transparent manner by adopting standards of honesty, professionalism, integrity and ethical behavior;
2. This WB Policy is in accordance with the requirement of Regulation 22 of the LODR, 2015, and Section 177 of the Act, and is intended to ensure that the Directors and Employees or any other person report their genuine concerns;
3. Under the said Vigil Mechanism, a '**Whistle Blower Policy**' is required for Directors and Employees to report their concerns of

unethical behavior, actual or suspected fraud or violation of the Company's *various Codes and Policies including the Code of Conduct for Board Members and Designated Employees (CCBE)*;

4. Accordingly, this WB Policy ("**the Policy**") has been formulated with a view to provide a way forward through the Vigil Mechanism for Directors and Employees of the Company to approach the Chairman of the AC / Board of the Company;
5. Any actual or potential violation of the Code, howsoever insignificant, or perceived as such, would be a matter of serious concern for the Company;
6. Any employee can choose to make a report under the WB Policy of the Company to the Chairman of the AC, or the Board of Directors. Such a report shall be forwarded by the Whistle Blower, when there is reasonable evidence to conclude that a violation is/may be possible, or has taken place with a covering letter under the identity of the Whistle Blower;
7. The Company shall ensure protection to the Whistle Blower, and any attempts to intimidate him/her would be treated as a violation of the Code.

III. Definitions

- i. "**Audit Committee**"/"**AC**" mean an existing Committee of Independent directors of the Company and any reconstitution thereof from time to time in accordance with the Act and the LODR;
- ii. "**Board**" means the Board of Directors of the Company from time to time;
- iii. "**SEBI (LODR) Regulations, 2015**" / "**LODR,2015**" means Listing Obligations and Disclosure Requirements Regulations, 2015 as notified by the Securities and Exchange Board of India on September 2, 2015 effective from December 1, 2015, and any modification and amendment thereto;
- iv. "**Policy**" means the Whistle Blower Policy/WB Policy;
- v. "**Act**" means Companies Act, 2013 any modifications and/ or re-enactment thereof;
- vi. "**Regulation**" means Regulation 22 of the LODR,2015 and any modification and amendment thereto;
- vii. "**Employee**" means every employee of the Company (whether working in India or abroad), including the Directors in the

- employment of the Company;
- viii. **“Code”** means the Nirlon Code of Conduct and any amendment from time to time;
 - ix. **“Investigators”** mean and include those persons authorised, appointed, consulted or approached by the Chairman of the AC / Board, and includes the Auditors of the Company, and the Police.
 - x. **“Report”** means any communication made in good faith that reports, discloses, or demonstrates information that may evidence unethical or improper activity;
 - xi. **“Subject”** means a person against or in relation to whom a report has been made, or evidence gathered during the course of an investigation;
 - xii. **“Whistle Blower”** means an Employee or a Director making a report under the WB Policy.

IV. Scope

- a. The Whistle Blower’s role is that of a reporting party with reliable information. They are not required, or expected to act as investigators, or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.
- b. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Chairman of the AC / Board, or the Investigators.
- c. Reports will be appropriately dealt with by the Chairman of the AC / Board.

V. Eligibility

- a. All Employees and Directors of the Company are eligible to make reports under the WB Policy.
- b. The report should be in relation to matters concerning Nirlon Ltd.

VI. Disqualifications

- a. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action;
- b. Protection under this WB 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;

- c. Whistle Blowers, who make three or more reports, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further under this WB Policy;
- d. In respect of such Whistle Blowers, the AC/Board would reserve their respective rights to take/recommend appropriate disciplinary action.

VII. Procedures

- a. All reports concerning financial/accounting matters should be addressed to the Chairman of the AC for investigation;
- b. In respect of all other reports, those concerning the ethics and employees at the levels of General Manager and above should be addressed to the Chairman of the Board of Directors of the Company, and those concerning other employees should be addressed to the Executive Director of the Company as a matter of Practical Convenience;
- c. The contact details of the Chairman of the AC / Executive Director of the Company are as under:
 - (i) **Chairman of the AC / the Board**
Mr. Moosa Raza, Chairman of the Board and AC.
Address: No. 15/6 Chari Street, Off North Usman Road, T. Nagar, Chennai: 600 017.
E-mail: moosaraza.1@gmail.com
 - (ii) Mr. Rahul V. Sagar, Executive Director of the Company.
Address: Pahadi Village, Off the Western Express Highway, Goregaon (East), Mumbai: 400 063.
E-mail: rahulsagar@nirlonltd.com
- d. If a report is received otherwise than as stated above by the Executive Director of the Company, then the same should be forwarded to the Chairman of the AC/Board as the case may be for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential;
- e. Reports should preferably be submitted in writing so as to ensure a clear understanding of the issues raised, and should either be typed, or written in legible handwriting in English, Hindi, or in the regional language of the place of employment of the Whistle Blower;
- f. The Report should be forwarded under a covering letter without the identity of the Whistle Blower. The Chairman of the AC / Board / Executive Director, as the case may be, shall detach the covering

letter, and forward only the report to the Investigators for investigation;

- g. Reports 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 and the urgency of a preliminary investigative procedure;
- h. The Whistle Blower must disclose his/her identity in the covering letter forwarding such report. Anonymous disclosures shall not be entertained as it would not be possible to interview the Whistle Blower.

VIII. Investigation Procedures

- a. All reports reported under this WB Policy will be thoroughly investigated by the Chairman of the AC / Board / Executive Director who will investigate / oversee the investigations under the authorization of the AC / Board. If any member of the AC / Board has a conflict of interest in any given case, then he/she should recuse himself/herself, and the other members of the AC / Board should deal with the matter on hand;
- b. The Chairman of the AC / Board / Executive Director may at their discretion consider involving any Investigators for the purpose of investigation;
- c. The decision to conduct an investigation taken by the Chairman of the AC / Board is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed or about to be committed;
- d. The identity of a subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation;
- e. The Executive Director shall report the outcome of the investigation to the Chairman of AC/ Board;
- f. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation;
- g. Subjects shall have a duty to co-operate with the Chairman of the AC / Board / Executive Director, and/or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws;

- h. Subjects have a right to consult with a person or persons of their choice, other than Investigators and/or members of the AC and/or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings;
- i. Subjects 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;
- j. Unless there are compelling reasons not to do so, subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a subject shall be considered as maintainable unless there is good evidence in support of the allegation;
- k. Subjects have 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;
- l. The investigation shall be completed normally within 30 (Thirty) working days of the receipt of the report.

IX. Protection

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having tendered a report under this WB Policy;
- b. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers;
- c. Complete protection will, 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/her duties/functions including making further reports;
- d. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making Report. 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;

- e. A Whistle Blower may report any violation of the above clause to the Chairman of the AC / Board, who shall investigate the same and recommend suitable action to the Management;
- f. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of Chairman of the AC / Board / Executive Director (e.g. during investigations carried out by Investigators);
- g. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

X. Investigators

- a. Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Chairman of the AC/ Board as the case may be when acting within the course and scope of their investigation;
- b. 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 behavior, and observance of legal and professional standards;
- c. Investigations will be launched only after a preliminary review which establishes that:
 - i. the alleged act constitutes an improper, or unethical activity or conduct, and
 - ii. 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, but investigation itself should not be undertaken as an investigation of an improper, or unethical activity.

XI. Decision

If an investigation leads the Chairman of the AC / Board to conclude that an improper, or unethical act has been committed, the Chairman of the AC / Board shall recommend to the Management of the Company to take such disciplinary or corrective action as the Chairman of the AC / Board deems 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 WB Policy shall adhere to the applicable personnel, or staff conduct and disciplinary procedures.

XII. Reporting

The Executive Director and investigators shall submit a report to the AC on a regular basis about all reports referred to him/her since the last report together with the results of investigations, if any.

XIII. Retention of Documents

All Reports in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of eight (8) years.

XIV. Amendment

The Company reserves its right to amend or modify this WB 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 Employees and Directors unless the same is notified to the Employees and Directors in writing by sending an e-mail and displaying the same on the Company's website.

XV. Power to Remove Difficulties

If any difficulties arise in giving effect to the provisions of the WB Policy, the Chairman, in consultation with the Board, may by an order make such provisions as it appears to be necessary or expedient for removing the difficulty by suitably amending/modifying such provisions, and such amendment/modification shall be displayed on the website of the Company.

This is always provided that such amendment/ modification shall in no event be inconsistent with the provision of the Act/ Regulation.

XVI. Overriding Effects

The WB Policy will not override the Act and/ or the Regulation. Any amendment and/or modification to the Act /the Regulation shall prevail over the WB Policy.

Any provision contained in the WB Policy to the extent to which it is inconsistent or repugnant to the provisions of the Act /the Regulation shall become or be void, as the case may be.

*** POST INTRODUCTION OF LODR, 2015 BY THE SEBI**

Modified and approved by the Board of Directors on Novemebr12, 2018