KOTHARI WORLD™
Enhancing Values. Building Trust.

Kothari World Finance Limited

Vigil Mechanism/Whistle Blower Policy

- Last amended on 13th February,2019

1. BACKGROUND

This "**Whistle Blower Policy**" of Kothari World Finance Limited(**"KWFL"**) has been established / adopted / approved by the Audit Committee of the Board of Directors of Kothari World Finance Limited **and has been amended at the Board Meeting held on February 13, 2019**, in terms of the provisions of Section 177 of the Companies Act, 2013 and Rule 7 of the Companies (Meetings of the Board & its Powers) Rules, 2014 read with Regulation 22 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Regulation 9A Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 of as may be amended from time to time, which requires every listed 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**.**

2. DEFINITION

Whistle Blower: A "Whistle-Blower" is a person(s)/party who raises a Concern under this policy.

3. PURPOSE

1. Kothari World Finance Limited is committed to foster an environment of honest and open communication and discussion, consistent with our values.
2. This policy lays down the process to convey Concerns (as stated in Section 4) in good faith to the management and seek resolution towards the same without fear of Whistle-Blower retaliation.
3. This policy ensures that any violations, wrongdoing or non-compliances are addressed appropriately and promptly.
4. The purpose of Whistle Blower Policy is to allow the Directors and employees to raise concerns about unacceptable improper practices and/or any unethical practices and/or other genuine concerns being followed in the organization without the employees being necessarily required to inform their superiors
5. **To create awareness amongst employees to report instances of leak of unpublished price sensitive information.**

4. GOVERNANCE

1. Any changes to this policy shall be tracked and documented for future reference and all changes shall be performed only after prior approval of the Audit Committee.
2. Audit Committee shall undertake periodic review and update this policy to reflect applicable law(s) and /or latest notifications released by the regulating authorities from time to time.
3. Audit Committee shall monitor the effectiveness and review the implementation of the principles set forth in this policy, regularly considering its suitability, adequacy and effectiveness.

5. APPLICABILITY

This policy applies to all Associates, Board Members, contractors, consultants, trainees, service providers of our Company and subsidiaries (if any), affiliates, group companies and persons or entities contractually obligated across the India.

6. SCOPE

1. This policy covers reporting of any violation, wrongdoing or non-compliance, including without limitation, those relating to the Code of Conduct, policies and standard procedures of Kothari World Finance Limited.

2. This policy does not cover the following indicative but not exhaustive aspects:
   - Compensation related issues like quantum of increments, bonus payouts, etc.
   - Queries relating to deduction of tax from salary, etc.
   - Inappropriate administration services e.g. quality of food, malfunctioning of phones, etc.
   - Malfunctioning of information technology assets like laptop, printers, etc.
   - Queries relating to job openings, internal transfers, etc.
   - Recommendations to enhance operational efficiencies and/or strategy related decisions.

3. This Policy is also intended to check that whenever any unacceptable/improper practice and/or any unethical practice and/or any **instances of leak of unpublished price sensitive information and/ or any** other genuine concern is reported by a Director or an employee, proper action is taken to check such practice/wrongdoing and the concerned Director or employee is protected / safeguarded against any adverse action and/or any discrimination and/or victimization for such reporting.

7. POLICY FRAMEWORK

1. Our Whistle-Blower Policy is the first and often the best way to provide a platform to address any Concern. It is important that our Associates speak up promptly regarding the Concern, so that it can be addressed in a timely manner. Kothari World Finance Limited will strive to maintain confidentiality to the greatest extent possible and discussion of the concern should be limited to only those individuals with a "need to know."

2. Associates with management responsibilities play an important role in the implementation of the principles set forth in this policy. It is the responsibility of these leaders to:
   • Make Associates aware of the principles set forth in this policy and **KWFL**'s commitment to it;
   • Create an environment in which all Associates can, without fear of retaliation, raise what they believe to be honest issues to any level of leadership;
   • Report all the Concerns to the Audit Committee promptly.

3. No party, including the subject(s) of a Whistle-Blower investigation, may interfere with the investigation. Any attempts to withhold, destroy, damage or tamper with evidence, or attempts to influence/coerce/threaten/entice a party participating in the investigation process, shall warrant a disciplinary action that may even include termination of employment of an Associate or termination of association with a party. Furthermore, **KWFL** shall ensure that any employee assisting in the said investigation is protected to the same extent as a Whistle-Blower.

4. All parties must cooperate with the investigation process, without compromising their self in crimination privileges under applicable laws. Furthermore, investigations must be treated as a factfinding discovery procedure and not as an accusation in itself. It is possible that the outcome of the investigation may conclude that an act in violation of the **KWFL** Code of Conduct or any of **KWFL** s Policies was not committed.

8. WHISTLE BLOWER OFFICER

Mrs. **Atheva Mayekar** (Independent director) has been appointed as the "Whistle Blowing Officer".

She / He 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 Whistle Blowing Officer shall communicate the Audit Committee's decision to the complainant for his/her information.

9. REPORTING CHANNELS

Employees / Directors are also free to communicate their complaints directly to the Audit Committee Members. They can communicate their complaints to the "Whistle Blowing Officer":

1. Mrs. **Atheva Mayekar** (Chairperson of the Audit Committee)
   - E-mail ID: mayekarkav@yahoo.com and marking a copy to info@kothariworld.
   - Written complaint-Kothari World Finance Limited, 121/C, Mittal Tower, Nariman Point Mumbai 400021.
   - Telephone -022 22851620

10.WHISTLE-BLOWER RETALIATION

1. Whistle-Blower retaliation is action in response to a protected disclosure of information and includes actions that could adversely affect the Whistle-Blower.
2. Retaliation against any Whistle-Blower who raises a concern or reports misconduct is strictly prohibited. In case of any retaliation against raising a concern in good faith, you should contact the Audit Committee immediately.
3. If any individual, regardless of his or her role in **KWFL**, retaliates against a Whistle-Blower, **KWFL** will take appropriate action – even if it later turns out that the Whistle-Blower was mistaken in reporting the matter.

11. FALSE REPORTING

If at any time, it is revealed that the concern was raised with mala-fide intent, then the person reporting it will be subjected to disciplinary action, that may even include termination of employment of an Associate or termination of association with a party.

12. RECORD RETENTION

Documents received/generated during reporting, investigation and enforcement pursuant to this policy, shall be retained as per **KWFL**s data retention policy and applicable laws or regulations.

13. AMENDMENTS

Any Amendments to this policy must be approved by Audit Committee.

14. PROTECTION/SAFEGUARD FROM ANY ADVERSE ACTION

All the Directors and employees shall be protected / safeguarded from any adverse action for reporting any unacceptable/ improper practice and/or any unethical practice or frauds or violation of any law, rule or regulation and/or any other genuine concern, so long as the Director and employee**:-**

1. Reports in good faith his/her belief that there is waste of the company's funds;
2. Reports in good faith the violation or suspected violation of a law, rule or regulation;
3. Participates in or gives information in an investigation, hearing, court proceeding, legislative or other inquiry, or other administrative review;
4. Objects or refuses to carry out a directive that the Director or employee believes in good faith may violate a law, rule or regulation.

15. FREQUENTLY ASKED QUESTIONS

Question	Answer
What will happen if upon investigation the concern reported proves to be false?	➢ If the concern raised by the person is in good faith and with a belief of it being true, but the investigation proves it to be wrong, no action shall be taken against the person. ¬ However, if it is proved that the concern was raised with a malafide intent, then the person reporting it shall be subject to disciplinary action
Is there any time limit for reporting of the concern?	➢ There is no time limit for reporting the concern. However, the concerns should be reported at the earliest, preferably immediately after occurrence
Will an Associate reporting a concern be protected?	➢ Yes, the Associate reporting any concern shall be protected at all the times during his / her tenure with **KWFL** against any retaliation
Can Whistle-Blower approach Audit Committee to seek information on development pertinent to concern reported by him / her?	➢ Yes, Whistle-Blower at any point in time after reporting his / her concern can approach Audit Committee to seek information on developments or investigation related to concern reported by him / her.