

VEDANT FASHIONS LIMITED

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Vedant Fashions Limited (formerly Vedant Fashions Private Limited) | CIN U51311WB2002PLC094677

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Contents

Preface.....	3
Interpretation	3
Policy Objectives	3
Scope of the Policy	4
Eligibility.....	4
Receipt and disposal of protected disclosures	4
Investigation	5
Protection	6
Confidentiality.....	6
Decision	6
Reporting	7
Communication.....	7
Retention of Documents.....	7
Modifications to the Policy	7

Preface

Section 177 of the Companies Act, 2013 and the Rules thereunder, prescribe that (a) every listed company, (b) the Companies which accepts deposits from the public, and (c) the Companies which have borrowed money from banks and public financial institutions in excess of Rupees Fifty Crores, shall establish a Whistle Blower Policy / Vigil Mechanism for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the company's Code of Conduct or Ethics Policy. Such a vigil mechanism shall provide for adequate safeguards against victimization of directors and employees who avail of such mechanism.

Vedant Fashions Limited, has borrowed funds in excess of Rupees Fifty Crores in the past, hence in compliance with the aforesaid provisions of the Companies Act, 2013 and the rules made thereunder, the Company proposes to establish a Whistle Blower Policy/ Vigil Mechanism and to formulate a policy for the same.

Interpretation

For the purposes of this Policy references to the following shall be construed as:

- i. "VFPL" or "Company" shall mean Vedant Fashions Limited.
- ii. "Vigil Mechanism Policy" or "Whistle Blowing Policy" shall mean the contents herein, including any amendments made by the board of directors of the Company.
- iii. "Protected Disclosure" shall mean a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.
- iv. "Whistle Blower" shall mean an Employee making a Protected Disclosure under this Policy.
- v. "Subject" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- vi. "Ethics Officer" shall mean a Director of the company nominated for the purpose of vigil mechanism to conduct detailed investigation under this policy and to receive protected disclosure from whistle blowers, maintain record thereof, taking steps for its disposal and informing the Whistle blower the results thereof.
- vii. "Employee" shall mean every employee of the Company, including the Executive Directors in the employment of the Company.

Policy Objectives

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to its Directors and Employees to report to the management about unethical behavior, actual or suspected fraud or

violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc.

Scope of the Policy

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

Eligibility

All Employees of the Company of the company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

Receipt and disposal of protected disclosures

- i. All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.
- ii. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scribed as “Protected disclosure under the Whistle Blower Policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower Policy”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Ethics Officer to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect the identity of the complainant, the Ethics Officer will not issue any acknowledgement to the complainant(s) and they are advised neither to write their name/address on the envelope nor enter into any further correspondence with the Ethics Officer. The Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- iii. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Ethics Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

- iv. All Protected Disclosures should be addressed to the Ethics Officer of the Company. The contact details of the Ethics Officer are as under:-

Mr Ajay Modi, Director
Vedant Fashions Limited
4th Floor, A501-502, Paridhan Garment Park, 19 Canal South Road SDF-1, Kolkata 700015
Email: ajay.modi@manyavar.com

- v. Protected Disclosure against the Ethics Officer should be addressed to the Managing Director of the Company. The contact details are as under:-

Mr Ravi Modi, Chairman & Managing Director
Vedant Fashions Limited
4th Floor, A501-502, Paridhan Garment Park, 19 Canal South Road SDF-1, Kolkata 700015
Email: ravi.modi@manyavar.com

- vi. On receipt of the protected disclosure the Ethics Officer, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not.

Investigation

- i. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Officer of the Company. The Ethics Officer may at his discretion consider involving any investigators for the purpose of Investigation.
- ii. The decision to conduct an investigation taken into a Protected Disclosure by itself is not an acceptance of the accusation by the Authority and is to be treated as a neutral fact-finding process because the outcome of the investigation may or may not support accusation.
- iii. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of the investigation.
- iv. Unless there are compelling reasons not to do so, Subjects will be given reasonable opportunity for being heard during the investigation. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- v. Subjects shall have a duty to co-operate with the Ethics Officer during investigation to the extent that such co-operation sought does not merely require them to admit guilt.
- vi. Subjects shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.
- vii. Subjects shall 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.
- viii. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subjects shall be consulted as to whether public disclosure of the investigation results

would be in the best interest of the Subject and the Company.

- ix. Ethics Officer shall normally complete the investigation within 90 days of the receipt of protected disclosure.

Protection

- i. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. 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 duties / functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. 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.
- ii. A Whistle Blower may report any violation of the above clause to the Ethics Officer, who shall investigate into the same and take suitable action.
- iii. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- iv. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Confidentiality

The complainant, Ethics Officer, the Subject and everybody involved in the process shall:

- a) Maintain confidentiality of all matters under this Policy;
- b) Discuss only to the extent or with those persons as required under this policy for completing the process of investigations;
- c) Not keep the papers unattended anywhere at any time;
- d) Keep the electronic mails / files under password.

Decision

- i. If an investigation leads the Ethics Officer to conclude that an improper or unethical act has been committed, the Ethics Officer shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem 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 Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

- ii. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Ethics Officer shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

Reporting

The Ethics Officer shall submit a report to the Board of Directors on a periodic basis about all Protected Disclosures referred to him since the last report together with the results of investigations, if any.

Communication

A whistle Blower policy cannot be effective unless it is properly communicated to employees. The policy shall be published on the website of the company.

Retention of Documents

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as may be specified by any other law in force, whichever is more.

Modifications to the Policy

The Company reserves its right to amend or modify this 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 them in writing.
