

VEDANT FASHIONS LIMITED

Vigil Mechanism / Whistle Blower Policy



CONTENTS

1. <u>Preamble...</u>	3
2. <u>Short Title, Applicability and Commencement</u>	3
3. <u>Definition</u>	3
4. <u>Scope of Policy</u>	5
5. <u>Receipt and Disposal of Protected Disclosures</u>	6
6. <u>Investigation</u>	7
7. <u>Protection</u>	8
8. <u>Investigators</u>	8
9. <u>Confidentiality</u>	9
10. <u>Decision</u>	9
11. <u>Reporting</u>	9
12. <u>Communication</u>	10
13. <u>Retention of Documents</u>	10
14. <u>Disclosure</u>	10
15. <u>Policy Review</u>	10
16. <u>Limitation and Amendment</u>	10
17. <u>Version History</u>	10



1. PREAMBLE

Vedant Fashions Limited (“Company”) believes in fair conduct of its affairs and sets the highest standards in good and ethical Corporate Governance practices. The Company has formulated a Code of Conduct for the Board of Directors and Senior Management Personnel. It has also formulated various Policies and Internal Rules & Regulations governing the actions of the Company as well as its employees.

Further, the Company had in place a Vigil Mechanism/ Whistle Blower Policy (“Whistle Blower Policy”). The policy requires certain changes keeping in mind the current scenario; therefore, the Company has revised this “Whistle Blower Policy.”

In order to inculcate accountability and transparency in its business conduct, the Company has been constantly reviewing its existing systems and procedures. As a part of this exercise, it has been decided to revise the Whistle Blower Policy. This Policy will enable all employees and other stakeholders to raise their concerns internally in a responsible and effective manner if and when they discover information which they believe shows serious malpractice, instances of leak of Unpublished Price Sensitive Information and/or other genuine concern regarding governance, which adversely affects the interests of the Company. This Whistle Blower Policy aims to provide a method of properly addressing genuine concerns that individuals within the Company might have whilst offering appropriate protection and anonymity, where possible, to the Whistle Blowers from victimization, harassment, or disciplinary proceedings. Without compromising on the Company’s commitment to address all issues that violate the Company’s zero tolerance policy towards any wrongdoing, it is important to reiterate that the forums and platforms provided by this Policy are not wrongly used for operational grievances, and complaints arising in the natural course of business dealings and transactions.

2. SHORT TITLE, APPLICABILITY AND COMMENCEMENT

i) This policy will be called as “Vedant Fashions Limited: Vigil Mechanism / Whistle Blower Policy.”

ii) This policy applies to all the employees of the Company and stakeholders of the Company (hereinafter referred to as ‘Whistle Blower’).

3. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code.



“Company” means Vedant Fashions Limited.

“Board /Board of Directors” means the Board of Directors of the Company.

“Audit Committee” means the Audit Committee of the Board of Directors of the Company constituted in accordance with Section 177 of the Companies Act, 2013 and Rules framed thereunder read with Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

“Appropriate Action” means any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of a fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

“Confidential Disclosure” means any communication made in good faith to the Ethics Officer regarding leak or suspected leak of any Unpublished Price Sensitive Information.

“Disciplinary Action” means any action that can be taken by the appropriate internal authority on the completion of / during the investigation proceedings, including but not limited to, a warning, recovery of financial losses incurred by the Company, suspension / dismissal from the services of the Company or any such action as deemed fit considering the gravity of the matter.

“Employee” shall mean every employee of the Company in the employment of the Company.

“Whistle Blower” shall mean an Employee or Director or any Stakeholder making a Protected Disclosure under this Policy.

“Ethics Officer” shall mean an officer designated for the purpose of vigil mechanism to conduct detailed investigation under this policy and to receive protected disclosure from Whistle Blowers and recommend disciplinary action and also maintaining record thereof, taking steps for its disposal and informing the Whistle blower the results thereof.

“Good Faith” means the nature of a communication by an insider, connected person or designated employee or any employee or stakeholder reporting any unethical and improper practices or any other alleged wrongful conduct in right spirit. Good Faith shall be deemed lacking when such person does not have personal knowledge on factual basis for the communication or where such person knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false, or frivolous.

“Investigators” mean those persons authorised, appointed, consulted, or approached by the ethics officer/ Chairperson of the Audit Committee and includes the auditors of the Company and the police.



“Initial Communication” means a written communication of any form of letter/e-mail that discloses or demonstrates information that may evidence unethical or improper activity.

“Protected Disclosure” means any communication made in good faith that discloses or demonstrates information of the following nature

- Unethical behaviour
- Actual or suspected fraud
- Violation of the Company’s Code of Conduct.

“Subject” means a person against or in relation to whom an Initial Communication has been made or evidence gathered during the course of an investigation.

4. SCOPE OF POLICY

This policy encourages all the Whistle Blowers to report any kind of misuse of Company’s properties, mismanagement or wrongful conduct prevailing/executed in the Company, which the Whistle Blower in good faith, believes or, evidence but are not limited to malpractices or wrongdoing / other such events which have taken place / suspected to take place involving:

- Breach of the Code of Conduct.
- Violation of any law or regulations, policies including but not limited to corruption, bribery, theft, fraud, coercion, and willful omission.
- Criminal Offence having repercussions on the Company or its reputation.
- Rebating of Commission / benefit or conflict of interest.
- Procurement frauds.
- Mismanagement, gross wastage, or misappropriation of Company’s funds / assets.
- Manipulation of Company data / records.
- Misappropriating cash / Company assets; leaking confidential or proprietary information.
- Unofficial use of Company’s property / human assets.
- Activities violating Company policies.
- A substantial and specific danger to public health and safety.
- An abuse of authority or fraud. Complaints related to the ‘Sexual Harassment’ as defined under the separate Policy adopted by the Company.
- Leak or suspected leak of any Unpublished Price Sensitive Information (UPSI) as defined in the Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons adopted by the Company.
- Sharing of undesirable content relating to the Company on any Social Media Platform.



5. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES

- 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.
- The Protected Disclosure should be submitted in a closed and secured envelope and should be superscribed 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.
- 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.
- All Protected Disclosures should be addressed to the Ethics Officer of the Company or to the Chairperson of the Audit Committee in exceptional cases.
- The contact details of the Ethics Officer are as under: -

Mrs. Kanchan Banerjee, Chief Human Resource Officer
Vedant Fashions Limited
19 Canal South Road, Paridhan Garment Park,
SDF-1, 4th Floor, A501-A502 Kolkata-700015
Email: kanchan.banerjee@manyavar.com
- Protected Disclosure against the Ethics Officer should be addressed to the Chairperson of the Audit Committee of the Company. The contact details are as under: -

Ms. Abanti Mitra
Chairperson of the Audit Committee
Vedant Fashions Limited
19 Canal South Road, Paridhan Garment Park,
SDF-1, 4th Floor, A501-A502 Kolkata-700015
Email: chairperson.ac@manyavar.com
- 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.



6. INVESTIGATION

All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Officer of the Company before referring the matter to the Audit Committee. The Ethics Officer may at his discretion consider involving any investigators for the purpose of Investigation.

- Investigations will be launched only after a preliminary review which establishes that the alleged act constitutes an improper or unethical activity or conduct, and the allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, but it is felt that the concerned matter deserves investigation.
- If it is determined that an investigation is not warranted, reason(s) for such determination shall be recorded in writing.
- The decision to investigate 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.
- The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of the investigation.
- 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.
- 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.
- Subjects shall have right to access any document/ information for their legitimate need to clarify/ defend themselves in the investigation proceedings.
- 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.
- 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.
- Ethics Officer shall normally complete the investigation within 90 days of the receipt of protected disclosure and is extendable by such further period as the Audit Committee deem fit.



7. PROTECTION

- 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.
- 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.
- The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- Any other Employee or Director assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

8. INVESTIGATORS

- Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Ethics Officer / Audit Committee when acting within the course and scope of their investigation.
- If any of the members of the committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand
- 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 behaviour, and observance of legal and professional standards.
- Investigations will be launched only after a preliminary review which establishes that:
 - the alleged act constitutes an improper or unethical activity or conduct, and
 - 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.



9. CONFIDENTIALITY

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

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

10. DECISION

- 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.
- In exceptional cases, where the Whistle Blower is not satisfied with the outcome of the investigation carried out by the Ethics officer, Whistle Blower can make a direct appeal to the Chairperson of the Audit committee.
- 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.

11. REPORTING

The Ethics Officer shall submit a report to the Audit Committee/management of the Company on a periodic basis about all Protected Disclosures referred to him since the last report together with the results of investigations, if any. The details of the establishment of vigil mechanism, Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee will be stated in the section on Corporate Governance of the Annual Report of the Company.



12. COMMUNICATION

A Whistle Blower policy cannot be effective unless it is properly communicated to Employees Directors and Stakeholders of the Company. The policy shall be published on the website of the company.

13. 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 8 (eight) years or such other period as may bespecified by any other law in force.

14. DISCLOSURE

The Policy shall be disclosed on the Company's website and a web link thereto shall be provided in the Annual Report of the Company.

15. POLICY REVIEW

The Board may, subject to applicable laws, amend, suspend, or rescind this Policy at any time and update accordingly. Any difficulties or ambiguities in the Policy will be resolved by the Board in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Related Party Policy.

16. LIMITATION AND AMENDMENT

In the event of any conflict between the provisions of this Policy and of the Act or Listing Regulations or any other statutory enactments, rules, the provisions of such Act or Listing Regulations or statutory enactments, rules shall prevail over this Policy. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

17. VERSION HISTORY

Sr. No.	Version	Created by	Reviewed and Recommended by	Approved By	Effective Date	Amendment Summary
1	1.0	Secretarial	Board	Board	30 th October, 2014	NA
2	2.0	Secretarial	Audit Committee	Board	24 th March, 2022	To broaden the intent of the Policy