

VASHISHTHA LUXURY FASHION LIMITED

VIGIL MECHANISM AND WHISTLE - BLOWER POLICY

1. Introduction

- i. Section 177 of the Companies Act, 2013 (**“Act”**) read with Rule 7 of the Companies (Meetings of Board and its Powers), 2014 and Regulation 22 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 requires all listed company to establish a mechanism called **Vigil Mechanism and Whistle Blower Policy (“Policy”)** for directors, employees and their representative bodies to freely communicate their concerns about illegal or unethical practices and to report their genuine concerns.
- ii. Vashishtha Luxury Fashion Limited (**“Company”**) is committed in conducting business in fair and transparent manner including being in compliance with all applicable laws and regulations. The company is committed in developing a culture where it is safe for the employees to raise concerns about instances if any, where such rules, regulations and policies are not being followed or any fraud has been committed or business has been conducted in an unethical manner.
- iii. The Policy has been recommended by the Audit Committee and approved by the Board of Directors of the Company at its meetings held on 1st July 2024. This Policy shall be effective from 1st July 2024.

2. Eligibility

All the employees, Directors, Business Associates, Vendors, Suppliers, Contract Consultants or any other stakeholders of the Company.

3. Terms and References

In this Policy, the following terms shall have the following meanings:

“Act” means the Companies Act, 2013 and the rules made thereunder, as amended.

“Audit Committee” means the committee constituted by the Board of Directors of the Company in accordance with the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which has responsibility for supervising the development and implementation of this Policy.

“Board” shall mean the board of directors of the Company.

“Employee” means any employee or director of the Company.

“Policy” shall mean this Vigil Mechanism and / Whistle Blower Policy.

“Protected Disclosure” means the disclosure of a Reportable Matter in accordance with this Policy.

“Whistle-blower” means any Employee who makes a Protected Disclosure under this Policy.

“Vigilant Officer” means an officer who is nominated/appointed to receive Protected Disclosures from the Whistle Blower, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

4. Coverage of Policy

The Policy covers below mentioned events and malpractices (**“Reportable Matter”**) which have occurred or suspected to occur in the due course of the company -

- i. Abuse of authority.
- ii. Breach of contract.
- iii. Wastage/misappropriation of company funds/assets.
- iv. Deliberate violation of law/regulation.
- v. Pilferation of confidential/propriety information.
- vi. Manipulation of company data/records.
- vii. Negligence causing substantial and specific danger to public health and safety.
- viii. Financial irregularities, including fraud or suspected fraud.
- ix. Deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports.
- x. Any unlawful act whether Criminal/ Civil.
- xi. Breach of Company Policy or failure to implement or comply with any approved Company Policy.
- xii. Any other unethical, biased, favoured, imprudent event.

Please note that complaints concerning personal grievances, such as professional development issues or Employee compensation, are not Reportable Matters for purposes of this Policy.

5. Role of a Whistle Blower

- i. The Whistle Blower should promptly and at earliest possibly make a Protected Disclosure of the Reportable Matter. Reportable Matters should be made pursuant to the reporting mechanism described in point 6 below.
- ii. The role of a Whistle-blower is limited to making a Protected Disclosure.
- iii. A Whistle- blower should not engage in investigations concerning a Reportable Matter that is the subject of a Protected Disclosure.
- iv. A Whistle-blower should not be involved in determining the appropriate corrective action that might follow from the submission of a Protected Disclosure.

6. Reporting Mechanism

6.1 Reporting Authority

A) The Whistle Blower can make a Protected Disclosure to the Vigilant Officer. The contact details of which are as follows -

- i. by email to **vigil@_____**; or
- ii. by letter addressed to the Vigilant Officer, marked "Private and Confidential", and delivered to:

Vigilant Officer

Name: _____

Designation: **Directors/MD/CFO**

Address: Registered office of the Company.

B) In case if the Whistle Blower has a reason to believe that his/her immediate supervisor or the Vigilant Officer is involved in the suspected violation, the Whistleblower may report its complaint to the Audit Committee of the Company (the "**Audit Committee**") at:

The Chairman, Audit Committee

Name: _____

Address: Registered Office of the Company

6.2 Content of a Protected Disclosure –

A) To enable the proper investigation of any Reportable Matter, a Protected Disclosure should include as much information as possible concerning the Reportable Matter. To the extent possible, the following information should be provided:

- i. the detailed nature of the Reportable Matter.
- ii. the names of the Employees and Business unit/ department to which the Reportable Matter relates.
- iii. the relevant factual background concerning the Reportable Matter.
- iv. A copy of pertinent documents/proof of alleged violation based upon which the whistle Blower has presented such Protected Disclosure.
- v. Additional any further details as may be required to support the Reportable Matter shall be provided.

B) To enable further investigation of Reportable Matters, Whistle-blowers are strongly encouraged to provide their name and contact details whenever they make a Protected Disclosure under this Policy. If a Whistle-blower does not provide his or her name and contact details when making a Protected Disclosure, Company's ability to investigate the subject-matter of the Protected Disclosure may be limited by its inability to contact the Whistle-blower to obtain further information.

7. Protection of Whistle-Blowers

- i. 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 by the Company.
- ii. If a Whistle-blower does provide his or her name when making a Protected Disclosure, the Company will treat the identity of the Whistle-Blower as confidential and the fact that a Protected Disclosure has been made, except as otherwise required by law and to the extent possible while allowing an investigation to proceed.
- iii. A Whistle-blower may make a Protected Disclosure without fear of retaliation or intimidation. The Company prohibits its Employees from engaging in retaliation or intimidation that is directed against a Whistle-blower. Employees who engage in retaliation or intimidation in violation of this Policy will be subject to such reasonable and necessary disciplinary action, which may include dismissal.

- iv. However, if a Whistle-blower has been found to have made a deliberately false Protected Disclosure, that Whistle-blower may be subject to such reasonable and necessary disciplinary action, which may include dismissal.

8. Role of the Vigilant Officer/Audit Committee

- i. The Vigilant Officer/Audit Committee is responsible for supervising the development and implementation of this Policy. The Vigilant Officer/Audit Committee shall periodically review the Policy to consider whether amendments are necessary, and, if so, it shall communicate any such amendments to all Employees as soon as possible.
- ii. The Vigilant Officer/Audit Committee shall have responsibility for coordinating the investigation of any serious Protected Disclosures concerning the alleged violation of laws or regulations that apply to the Company.

9. Investigation

- i. All Reported Disclosures under this Policy shall be promptly and thoroughly investigated by the Whistleblower Officer/Audit Committee.
- ii. All information disclosed during the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.
- iii. The Vigilant Officer/Audit Committee as deems fit, may call for further information from the Whistle Blower.
- iv. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt. A written report of the findings will be made.
- v. Everyone working for or with the Company has a duty to cooperate in the investigation Reported Disclosures of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, shall be subject to such reasonable and necessary disciplinary action, which may include dismissal.
- vi. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action against the accused party commensurate with the nature of the offense.

10. Conflicts of Interest

Where a Protected Disclosure concerns the Vigilant Officer or any member of the Audit Committee, that member shall be prevented from acting in relation to that Protected Disclosure. In case of doubt, the Board shall be responsible for determining the conflict of interest upon which the Vigilant Officer or any member of the Audit Committee must recuse himself or herself from acting in relation to that Protected Disclosure.

11. Reporting

The Vigilant Officer shall submit a half yearly report containing the number of complaints received and their outcome before the Audit Committee and the Board.

12. Policy Review and Amendments

The Board and/or its committees reserves the power to review and amend this Policy from time to time. All provisions of this Policy would be subject to revision / amendment in accordance with the applicable law issued by relevant statutory, governmental and regulatory authorities, from time to time and the same shall be communicated to the Employees or any other stakeholders of the company.
