

## **JAKHARIA FABRIC LIMITED**

### **WHISTLE BLOWER POLICY / VIGIL MECHANISM**

#### **PREFACE**

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The Company believes and is committed to comply with the applicable foreign and domestic laws satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted in a fair and transparent manner with honesty, integrity and ethical behavior. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines and other penalties. That can be costly. Consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates:

1. Disclosure of violations or potential violations of Company policies and applicable laws before they can disrupt the operations of Company.
2. Promoting a climate of accountability with respect to Company's resources, including its employees.
3. Ensuring raising of legitimate concerns regarding such potential violations easily and free of any fear of retaliation.

As per Section 177(9) of the Companies Act, 2013 every listed company or companies which accept deposits from the public or which have borrowed money from banks and public financial institutions in excess of fifty crore rupees shall establish a vigil mechanism for directors and employees to report genuine concerns.

This policy is issued pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

This policy is intended to be used for serious and sensitive issues such as serious concerns relating to financial reporting or unethical or illegal conduct. You are required to read this policy and acknowledge the adherence to this policy.

#### **ELIGIBILITY**

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This policy applies to all Employees of the Company.

## **TERMS & DEFINITIONS**

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**“Audit Committee”** means the committee constituted by the Board of Directors of Jakharia Fabric Limited in accordance with Section 177 of the Companies Act 2013 and Regulation 18 of the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 which has responsibility for supervising the development and implementation of this Policy.

**“Code of Conduct”** means the Code of Conduct and Ethics.

**“Employee”** means any employee or director of Jakharia Fabric Limited.

**“Investigators”** mean those persons authorized, appointed, consulted or approached by the Audit Committee and include the auditors of the Company and the police.

**“Whistle-blower”** means a person making a disclosure of any actual or suspected Unethical and Improper Practice that they have observed.

## **SCOPE**

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The Policy is an extension of the Code of Conduct & Ethics and covers disclosure of any unethical and improper or malpractices and events which have taken place/suspected to take place involving:

1. Breach of the Company's Code of Conduct & Ethics;
2. Breach of terms and conditions of employment and rules thereof ;
3. Financial irregularities, including fraud, or suspected fraud;
4. Deliberate violation of laws/regulations of the states or any jurisdiction in which Company operates;
5. Gross or willful negligence causing substantial and specific danger to health, Safety and Environment;
6. Manipulation of company data/records;
7. Perforation of confidential/propriety information;
8. Any attempt to conceal a potential violation or evidence of a potential violations including bribery;

9. Gross wastage/misappropriation of Company funds/assets;
10. Any retaliation for any report, complaint, allegation, or other disclosure made pursuant to this policy. Retaliation includes adverse actions, harassment or discrimination in your employment relating to your reporting of suspected violation.

This is the policy of the Company that you must, when you reasonably suspect or the time you become aware of the violation of an applicable law or the Company's Code of Conduct and Ethics has occurred or is occurring, report that potential violation immediately. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for such reporting is strictly prohibited by Company policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment. You should refrain from attempting to obtain evidence for which you do not have a right access. Such improper access may itself be considered a violation of the Code of Conduct and Ethics.

## **HOW TO REPORT**

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You must report all suspected violations to:

1. the Head of your Department/immediate supervisor
2. the Compliance Officer
3. anonymously, by sending an e-mail to: [info@jakhariafabric.com](mailto:info@jakhariafabric.com)

or by sending an anonymous letter to the Compliance Officer at:

### **The Compliance Officer**

Jakharia Fabric Limited,  
Office No. 1224, Jakharia Compound,  
Deoji Nagar, Narpoli Village, Bhiwandi,  
Thane-421302, Maharashtra.  
Email: [info@jakhariafabric.com](mailto:info@jakhariafabric.com)

if you have reason to believe that your Head of Department/immediate supervisor or the Compliance Officer is involved in the suspected violation, your report may be made to the Audit Committee of the Board of Directors of the Company at:

### **The Chairperson, Audit Committee**

Jakharia Fabric Limited  
Office No. 1224, Jakharia Compound,  
Deoji Nagar, Narpoli Village, Bhiwandi,  
Thane-421302, Maharashtra.

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. The report shall be in English in the attached format ('Confidential Disclosure Report Form'). Where you have not reported anonymously, you may be contacted for further information. All such communications shall be clearly marked as '**CONFIDENTIAL REPORTING**'.

### **ACTING IN GOOD FAITH**

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Your complaint filed concerning a violation or suspected violation of the Code of Conduct and Ethics must be acting in good faith and have reasonable grounds for believing the information disclosed indicating violation of the Code of Conduct and Ethics. Good faith means that you should reasonably hold belief that the disclosure made is true and has not been made out of malice, jealousy, for personal gain or for any ulterior motive.

### **RETALIATION IS NOT TOLERATED**

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For you reporting any violation in good faith shall be protected from any kind of retaliation or harassment. Also, you shall not retaliate or take adverse action against anyone for reporting or participating or assisting in the investigation of, a reasonably suspected violation of any law, this policy, or the Company's Code of Conduct and Ethics. Incidents of such retaliation will result in appropriate disciplinary action including possible termination of employment. The objective of this policy is to encourage employees and others to raise concerns within the Company prior seeking resolution outside the Company. For those working for or with the Company who engage in such retaliation may also be subject to civil, criminal and administrative penalties.

### **DISQUALIFICATIONS**

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1. Protection under this 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.
2. Whistle-blower(s), who make Confidential Reporting under Whistle Blower Policy 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 and the Company may take legal action against such Whistle-blower (s).

## **INVESTIGATIONS**

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All reports under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/or an outside agency for the purpose of investigation. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process. All information disclosed during the course of investigation will remain confidential, except as necessary to conduct investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to co-operate in the investigation of reports or violations. You should not discuss or disclose the investigation or your testimony with anyone not connected to the investigation. You should not discuss with the person(s) being investigated the nature of evidence requested or provided or testimony given to investigators unless agreed by investigator. Failure to co-operate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company policy.

In all instances, the Company retains the prerogative to determine when circumstances warrant an investigation (in conformity with this policy and applicable laws and regulations) and the appropriate investigative process to be employed.

## **DECISION**

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If an investigation leads to the competent authority/investor to conclude that an improper or unethical act has been committed, then the said authorities shall recommend to the management of the company to take such disciplinary or corrective action as it may deem fit.

## **SECRECY/CONFIDENTIALITY**

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You along with everyone involved in this process shall:

1. Maintain confidentiality of all matters under this policy;
2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations;
3. Not keep the papers unattended anywhere at any time.

## **DOCUMENT RETENTION**

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All documents related to reporting, investigation and enforcement pursuant to this policy shall be considered as confidential and be kept with the Company under the custody of a person as authorized by the Audit Committee for a period of 5 years.

## **REVIEW OF THIS POLICY**

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The Compliance Officer shall be responsible for administration, interpretation, application and review of this policy. The Compliance Officer shall be empowered to bring about necessary changes to this policy, if required, at any stage with the concurrence of the Audit Committee.

## **MODIFICATION/AMENDMENT**

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The Audit Committee or the Board of Directors of the Company may modify/amend this policy from time to time. Modifications/Amendments may be necessary, among other reasons, to maintain compliance with state or local regulations and/or accommodate organizational changes within the Company. Any modification/amendment to the Whistle Blower Policy must be approved by the Board of Directors and communicated to the Employees.

## CONFIDENTIAL DISCLOSURE REPORT FORM

### Contact Information

Name :

Contact No. :

Email Id. :

Do you wish to be contacted by investigating officers regarding the status of the investigation?  Yes  No

### Report

1. Individual(s) suspected of violation: \_\_\_\_\_

2. Date you became aware of suspected violation: \_\_\_\_\_

3. Date of this report: \_\_\_\_\_

4. Type of violation:  Legal       Accounting/Auditing       Retaliation

5. Violation is:       Ongoing       Completed       Unclear

6. Describe the relevant facts of the suspected violation:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. How did you become aware of the suspected violation:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. Actions you took prior to this report:

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9. Who, if anyone, may be harmed or affected by the suspected violation:

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10. Any other information:

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