

## WHISTLE BLOWER POLICY

### I. Objective:

The company is committed to conducting its operations with fairness and transparency, upholding the highest standards of professionalism, honesty, integrity, and ethical behavior. This commitment is outlined in a code of conduct that defines the principles and standards governing the actions of the company, its stakeholders, and its employees. Any instance of actual or potential violation of this code, regardless of its perceived significance, is taken seriously by the company. Both employees and stakeholders are encouraged to report violations of the code, and their role in doing so is highly valued. The code includes provisions mandating reporting of violations by employees and stakeholders alike.

### II. Definitions:

The definitions of some of the key terms used in this Policy are given below:

1. **"Alleged Wrongful Conduct"** constitutes violation against the law, mismanagement of affairs, financial irregularities, verified or suspected fraudulent acts, contraventions of Rare ARC's code of conduct and instances of authority abuse by any Employee. Furthermore, it encompasses the mistreatment of vulnerable adults by any Employee, including physical, sexual, financial, psychological/emotional abuse, neglect, or discrimination.
2. **"Audit Committee"** shall mean the Audit Committee constituted by the Board of Directors of Rare ARC in accordance with the provisions of Section 177 of Companies Act, 2013.
3. **"Business Day"** shall mean any day (other than Saturday or a Sunday or a public holiday) on which Rare ARC's offices are officially open for business.
4. **"Competent Authority"** shall have the meaning assigned to it under Paragraph III of this Policy.
5. **"Complaint"** shall mean a Complaint submitted in writing by a Whistleblower under and in terms of the provisions this Policy.
6. **"Employee"** shall mean all employees (whether temporary or permanent) of Rare ARC, and for the purposes of this Policy, include the directors of Rare ARC.
7. **"Good Faith"** shall mean the belief of the Whistleblower that the Complaint is true, correct and without malice, which shall be deemed lacking when the Whistleblower does not have personal knowledge of the facts for the Complaint,

or where the Whistleblower knew or reasonably should have known that the complaint is malicious, false or frivolous, or where the Whistleblower failed to exercise due care while making a Complaint under this Policy.

8. **“Investigator(s)”** shall mean the person(s), including a Service Provider, appointed by the Competent Authority for the purpose of conducting an investigation in relation to any Complaint under this Policy.
9. **“Non-Performing Assets”** shall have the meaning assigned to it in the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.
10. **“Policy”** shall mean the Whistleblower Policy of Rare ARC, as amended from time to time.
11. **“Portfolio Resolution Agents”** shall mean the agents appointed by Rare ARC for facilitating resolution and recoveries in respect of Non- Performing Assets acquired by Rare ARC.
12. **“Rare ARC”** shall mean Rare Asset Reconstruction Limited.
13. **“Sellers of Non-Performing Assets and defaulting Standard Assets”** shall mean the banks, financial institutions who are permitted to sell Non-Performing Assets and defaulting Standard Assets to Rare ARC under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and RBI guidelines for ARCs, as amended from time to time.
14. **“Service Providers”** shall mean and include valuers, legal advisors, accountants, consultancy firms or any other person providing professional service of any nature and also includes suppliers / providers of any goods or other services to Rare ARC in the ordinary course of business.
15. **“Subject”** means a person, against or in relation to whom, a Complaint has been made under this Policy.
16. **“Whistleblower”** means any Employee, Seller of Non-Performing Assets, Service Provider or Portfolio Resolution Agent, who complains to the Competent Authority in writing, of any Alleged Wrongful Conduct.

### III. Competent Authority:

1. The authority competent to consider the Complaints made under this Policy shall be:
  - a. Where the Whistleblower is an Employee:

- (i) the Managing Director of Rare ARC (MD), where the Complaint is against Employee(s) whose position is two or more levels below the MD;
  - (ii) Chairman of the Audit Committee or any member thereof as may be specified in writing by the Chairman of the Audit Committee, for Complaints that do not fall under the category (i) above.
- b. Where the Whistleblower is not an Employee, the Competent Authority shall be the Chairman of the Audit Committee or any member thereof as may be specified in writing by the Chairman of the Audit Committee.
2. In case a Complaint is received by any Employee of Rare ARC, not being the Competent Authority, the same shall be forwarded to the Chairman of the Audit Committee for necessary action, including referring the same to MD, if the same falls within his purview.

**IV. Procedure**

- 1. Any Employee, Seller of Non-Performing Assets or defaulting Standard Assets, Service Provider or Portfolio Resolution Agent, who observes or notices or has, in Good Faith, reason to believe the occurrence of, any Alleged Wrongful Conduct, may, in Good Faith, make a Complaint to the Competent Authority as soon as possible after becoming aware of the same.
- 2. All Complaints of Alleged Wrongful Conduct shall be in writing and signed by the Whistleblower and shall be addressed to the Competent Authority.

Provided that a Complaint by an employee of any Seller of Non- Performing Assets or defaulting Standard Assets, Portfolio Resolution Agent or Service Provider shall be routed under the signature of the appropriate authority in their respective organisations, as described below:

<b>Organisation</b>	<b>Appropriate Authority</b>
Seller of Non-Performing Assets or defaulting Standard Assets	Vice President / Head (or its equivalent) or above, employed in the same department/ function as the person desirous of making the Complaint
Portfolio Resolution Agent	Director, Executive Director (or its equivalent) or above
Service Provider	Proprietor, Partner or Director (or its equivalent) or above

- 3. Every Complaint shall contain specific and sufficient details to enable the

Competent Authority to take an informed decision on the admissibility of the Complaint and investigation into the same, and shall include:

- (a) name, address and contact number of the Whistleblower;
  - (b) name(s) of the Subject(s) and his / her / their designation(s), if known;
  - (c) nature and detailed facts of the Alleged Wrongful Conduct; information or copy(ies) of the documentary proof or evidence in support of the Complaint, if any;
  - (d) the impact/effect, either monetary or otherwise, on Rare ARC, if possible; and
  - (e) a confirmation by the Whistleblower that he/she is willing to substantiate the Alleged Wrongful Conduct referred to in the Complaint, appear and testify before the Investigator(s), as and when called by the Investigator(s) and otherwise co-operate in the investigation of the Complaint.
4. The Complaint shall be delivered at the registered office of Rare ARC in a sealed envelope addressed to the Chairman or any member of the Audit Committee, super scribed “*Whistleblower Policy*” on top of the envelope and/or by way of an e-mail marked to [cs@rarearc.com](mailto:cs@rarearc.com).
  5. Any anonymous complaint received under this Policy will not normally be processed. However, depending upon the materiality of the Alleged Wrongful Conduct and credibility of supporting evidence/ information provided, the Competent Authority may decide to consider the Complaint and investigate into the same.
  6. Subject to other provisions of this Paragraph IV (*Procedures*), all Complaints received under this Policy shall be investigated by the Investigator(s) appointed by the Competent Authority. The investigation shall be carried on in a fair manner and in accordance with the applicable laws, without presumption of guilt.
  7. The Subject shall co-operate with the Investigator(s) during the investigation and shall not interfere in the process of investigation. In the event the Subject interferes or causes any interference or attempts to cause any interference in the investigation proceedings, he/she shall be subject to such disciplinary action as may be deemed appropriate in the circumstances.
  8. The procedure to be followed in any investigation shall be decided by the Competent Authority. Subject to the applicable laws and legitimate needs of the investigation, the process of investigation shall be kept confidential.
  9. The Competent Authority shall, within 7 (seven) Business Days of receipt of the

Complaint, decide on admission of the Complaint and investigation into the same, and wherein it decides to investigate, appoint the Investigator(s) for conducting the investigation into the Complaint and where such Investigator is a Service Provider, determine the terms and conditions of appointment.

10. The Investigator(s) shall, as far as possible, complete the investigation within 30 (thirty) Business Days of the receipt of the Complaint by the Competent Authority.
11. The Investigator(s) shall submit to the Competent Authority, a report of their investigation within 7 (seven) Business Days from the date of completion of the investigation.

**V. Decision:**

1. If the report by the Investigator(s) leads the Competent Authority to the conclusion that the Alleged Wrongful Conduct, with respect to which a Complaint had been made, has been committed, it shall recommend to the management or to the Audit Committee or to the Board of Directors of Rare ARC, as may be appropriate in the circumstances, to take suitable disciplinary action against the concerned Subject.
2. If the Competent Authority is of the view that a Complaint made under this Policy is false or otherwise than in Good Faith, it shall recommend to the management or to the Audit Committee or to the Board of Directors of Rare ARC, as may be appropriate in the circumstances, to take suitable action against the concerned Whistleblower.

**VI. Protection of Whistleblower's interests:**

1. A Whistleblower shall be protected from victimization, discrimination, intimidation, demotion, termination of service, or any other form of unfair treatment brought out to him/her by virtue of his/ her making a Complaint under this Policy. Such unfair treatment shall constitute sufficient ground for disciplinary action against the person who practices the same in respect of the Whistleblower.
2. If a Whistleblower is subjected to unfair treatment, he/she may make a complaint of the same to the Competent Authority, who shall investigate into the same and recommend such disciplinary or corrective action to the management, as it may deem fit.
3. Subject to the legal constraints, and except when disclosure of the identity of the Whistleblower is necessitated for the purpose of investigation of the Complaint, every effort shall be made to keep the identity of the Whistleblower confidential.

4. Any person, who assists an investigation into any Complaint under this Policy, shall also be given the same protection as a Whistleblower.

**VII. False allegation and legitimate employment action:**

1. Any Whistleblower who's Complaint under this Policy is found to be otherwise than in Good Faith, shall be disqualified from making further Complaints under this Policy. In addition, the Competent Authority may recommend to the management to take such action against him / her as may be deemed appropriate in the circumstances.
2. This Policy may not be used as a defense by a Whistleblower against whom an adverse action has been / is being taken by Rare ARC, independent of the Complaint made by him / her and for legitimate reasons or causes.

**VIII. Reporting requirements:**

The Competent Authority shall submit or cause to be submitted to the Audit Committee, quarterly reports in respect of all Complaints received under this Policy.

**IX. Annual Affirmation:**

Rare ARC shall annually affirm in the Director's Report that it has not denied any Whistleblower access to the Competent Authority and that it has provided protection to Whistleblowers as envisaged under this Policy.

**X. Retention of documents**

All Complaints along with the evidences gathered during the investigation and results and other investigation documents relating thereto, shall be retained by Rare ARC for a minimum period of 7 (seven) years.

**XI. Notification**

This Policy, as amended from time to time, shall be circulated to Head of Departments of Rare ARC for information of all concerned.

**XII. Amendment**

Rare ARC 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 shall be binding unless the same is notified in writing.

**XIII. Validity**

This Policy has permanent validity, unless amended / modified.