

Whistle Blower Policy

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WHISHTLE BLOWER POLICY

1. OBJECTIVE

The Company has established its Whistle Blower Policy ('the Policy') to supplement the Code of Conduct and Anti-Fraud Policy of the Company. Through this Policy, the Company intends to encourage its employees to report matters without the risk of subsequent victimization, discrimination or disadvantage. The Policy applies to all employees working for the Company.

2. DEFINITIONS

Unless otherwise specified in this Policy, the following terms shall bear the meanings respectively assigned to them herein.

2.1. Audit Committee: Means the Audit Committee of Directors constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act 2013.

2.2. Employee: An employee is every bona fide employee currently in the employment of the Company. For the purpose of this Policy, employee includes directors of the Company.

2.3. Whistle Blower: A Whistle Blower means any employee or director making a protected Disclosure under this Policy.

2.4. Whistle-blowing 'Concern' or 'Complaint' (also referred to as 'complaint' or 'concern') can be described as attracting management's attention to information about potentially illegal and/or unacceptable practices.

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3. PURPOSE

The purpose of the Whistle Blower Policy (“WBP”) is as follows:

- 3.1. This policy seeks the support of all employees of the Company and directors to report significant deviations from key management policies and report any non-compliance and malpractices, e.g. fraud, violation of law, inappropriate conduct etc.
- 3.2. The Whistle Blowing or reporting mechanism set out in the Policy, invites all employees to act responsibly to uphold the reputation of the Company. The Policy aims to provide a mechanism to ensure that concerns are properly raised, appropriately investigated and addressed. The Company recognizes this mechanism as an important enabling factor in administering good governance practices.
- 3.3. The Policy complies with the requirements of the vigil mechanism as envisaged by the Companies Act, 2013 and the rules framed thereunder.
- 3.4. Nothing in this Policy is intended to limit any protections provided to Whistle blowers by any applicable laws or regulations, or to place any limits on a Whistle Blower’s ability to communicate with government, administrative, or law enforcement authorities, as provided for by law.
- 3.5. To provide a platform to employees and other parties to report fraud, violation of the Company’s policies & values, violation of laws, and acceptance of bribes by any employee of AHF, without any fear of retaliation.
- 3.6. Significant to build and strengthen a culture of transparency and trust within the organization.

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- 3.7. Initiate to take action on a concern raised by a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity, which is factual and not speculative in nature, hereinafter referred as “Protected Disclosure”.

4. SCOPE

This policy enables a Whistle Blower i.e., any employee, director, customer, vendor/third party intermediary (engaged to conduct business on behalf of the ART Housing Finance (India) Limited) to report matters such as the following:

- 4.1 Breach of Company’s Code of Conduct
- 4.2 Questionable accounting or auditing matters
- 4.3 Fraud, bribery or corruption
- 4.4 Employee misconduct
- 4.5 Illegality
- 4.6 Health & safety
- 4.7 Environmental issues
- 4.8 Wastage/misappropriation of Company’s funds/assets
- 4.9 Victimization of employees and Director
- 4.10 Any other unethical conduct

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5. ROLE OF A WHISTLE BLOWER

The whistle blower policy is intended to **encourage employees to make good faith towards company’s goal/objectives and good will**. The Whistle blowing policy in business is very important in order to prevent any kind of wrong doing within the organization. But the said actions can be initiated on a limited platform to report with reliable information. They are not required to act as investigators nor determine the appropriate or remedial action. They should also not act nor participate in any investigation activities unless warranted otherwise.

6. PROCEDURE

- 6.1 All Protected Disclosure should be reported in writing by the complainant as soon as possible, not later than 30 days after the Whistle Blower becomes aware of the same and should either be typed or written in a legible handwriting in English.
- 6.2 The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super-scribed as “Protected Disclosure under the Whistle Blower policy” or sent through email with the subject “Protected Disclosure under the Whistle Blower policy” at vigilance@arthfc.com. If the complaint is not super scribed and closed as mentioned above, the Protected Disclosure will be dealt with as in normal disclosure.
- 6.3 All Protected Disclosure should be addressed to the CFO/ Vigilance Officer of the Company or also provide for direct access to the chairperson of the Audit Committee, in exceptional cases.
- 6.4 In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainant and the complainant is advised not to write their name / address on the envelope nor engage any further correspondence with the Vigilance Officer. The CFO/ Vigilance Officer will share the details of the Whistle-blower with the Company only if the Protected Disclosure is categorised as a Frivolous Complaint after preliminary review or as an outcome of the investigation.

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6.5 Anonymous/ Pseudonymous disclosure shall not be entertained by the Vigilance Officer.

6.6 On receipt of the protected disclosure, the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

7. INVESTIGATION

All Protected Disclosure under this policy will be recorded and thoroughly investigated. The Vigilance Officer or Investigator will carry out an investigation either himself/herself or by involving any other Officer of the Company/ Committee constituted for the same/ an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/or Committee and/ or an outside agency for the purpose of investigation.

The investigation by itself would not tantamount to an accusation and is to be treated as a neutral fact finding process.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.

Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall recuse himself from the matter.

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8. DECISION AND REPORTING

If an investigation leads to the conclusion that an improper or unethical act has been committed, the Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as he/she may deem fit.

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.

A quarterly report with number of complaints received under the Policy and their outcomes shall be placed before the Audit Committee and the Board.

A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

9. SUGGESTIVE PUNITIVE ACTIONS

The following punitive actions could be taken as deemed fit by the Audit Committee:

- 9.1 Counseling and issuance of a Warning letter.
- 9.2 Withholding of promotion/ increments.
- 9.3 Bar from participating in bonus review cycle.
- 9.4 Termination.
- 9.5 Legal suit.

The above are only suggestive and the Audit Committee may decide on the actions to be taken on a case-to-case basis depending on the gravity of the offence.

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10. DISQUALIFICATION

The Company reserves the right not to investigate in the following circumstances:

- a. Complaints pertaining to salary and performance evaluation or any other HR related issue which does not indicate violation of the Code of Conduct.
- b. Customer Complaints which can be dealt with under the alternate redressal mechanism established for that purpose.
- c. Complaints made without the following mandatory information: -
 - i. Name, designation and location of the Subject(s)
 - ii. Detailed description of the incident
 - iii. Location and time/duration of the incident
 - iv. Specific evidences or source of evidence

11. CONFIDENTIALITY

Disclosure of wrongful conduct may be made on a confidential basis. Such disclosures will be kept confidential to the extent possible, convenient with the need to conduct an adequate investigation and legal stipulation.

12. ADMINISTRATION AND REVIEW OF THE POLICY

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

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13. AMENDMENT

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 Directors and employees unless the same is not communicated in the manner described as above.

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Annexure 1: Template for Reporting Violation

Subject: “Protected disclosure under the Whistle Blower policy”

To: Vigilance Officer
ART Housing Finance (India) Limited
Plot No - 49, Udyog Vihar
Phase - IV, Gurgaon
Haryana

1. Violation details:
 - a. Which aspects of the WBP have been violated?
 - b. Who is /are the individual/ people/ functions involved?
2. Critical Incidents and Factual Data:
 - a. Please describe what constitutes the violation i.e. incident details.
 - b. List supporting information/ data that you would have, that the Committee can seek from you while investigating.

Date: _____

Location: _____

Name of the Person reporting (optional): _____

Contact Information (including email optional): _____

Note:

- 1 No adverse action shall be taken against an associate or business associate in “knowing retaliation” who makes any good-faith disclosure of suspect or wrongful conduct.

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2. 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.

3. Whistle Blowers, who make any Protected Disclosure, which have been subsequently found to be mala fide, frivolous or malicious, shall be liable to be prosecuted.

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