

Rainbow Investments Limited

Whistle Blower Policy

Rainbow Investments Limited (“Rainbow”/ “Company”) is a Middle Layer non-deposit taking Non-Banking Finance Company registered with the Reserve Bank of India.

In compliance of regulatory requirements, the Company has established a vigilance (whistle blower) mechanism and has formulated this Whistle Blower Policy (“Policy”) in order to provide a framework for responsible and secure whistle blowing / vigilance mechanism. This policy will help the Company to maintain and encourage high moral standards, financial integrity, transparency and good governance in its business dealings.

This policy will apply to all the Employees, Key Managerial Personnel and Directors of Rainbow Investments Limited.

Objectives

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its Employees and Directors who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A vigil (whistle blower) mechanism provides a channel to the Employees and Directors to report to the management about any of the following:

- a) unethical behaviour;
- b) actual or suspected fraud;
- c) violation of the Code or legal or regulatory requirements;
- d) incorrect or misrepresentation of any financial statements and reports, etc.

Scope

This Policy intends to cover serious concerns that could have grave impact on the operations and performance of the business of the Company and malpractices and events which have taken place/suspected to have taken place involving, inter alia:

- a. Breach of business integrity and ethics
- b. Breach of terms and conditions of employment and rules thereof
- c. Intentional financial irregularities, including fraud, or suspected fraud
- d. Violation of any law or regulations, policies including but not limited to corruption, bribery, theft, fraud, coercion and wilful omission.
- e. Manipulation of the Company’s data/records
- f. Pilferage of confidential/propriety information
- g. misappropriation of Company funds/assets

Eligibility

All the Directors, Employees of the Company and various stakeholders of the Company are eligible to make Protected Disclosure under the Policy in relation to matters concerning the Company. This Policy ensures that the whistle blower are empowered to pro-actively bring to light such instances without fear of reprisal, discrimination or adverse consequences.

Disqualifications

1. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment, reprisal, discrimination as herein set out, any abuse of this protection by making Malicious Complaints will warrant strict disciplinary action.
2. In case of Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be Malicious Complaints, any subsequent Protected Disclosure made by them will not be considered under this Policy, unless the Audit Committee in its discretion, decides otherwise. Further, such Whistle Blowers shall be subject to disciplinary action under this Policy for each Malicious Complaint.

Procedure

1. All Protected Disclosures concerning financial/accounting matters should be addressed to the Chairman of the Audit Committee of the Company for investigation.
2. In respect of all other Protected Disclosures, those concerning the Ethics Counsellor should be addressed to the Chairman of the Audit Committee of the Company and those concerning other employees should be addressed to the Ethics Counsellor of the Company.
3. The contact details are as under:
The Chairperson of the Audit Committee - Mrs. Rusha Mitra
Email id: rusha.mitra@khaitanco.com
Mo:9831937235
The Ethics Counsellor of the Company – Mr. Sunil Kumar Sanganeria
Email id: sunil.sanganeria@rpsg.in
Mo: 9874866677
4. If a protected disclosure is received by any executive of the Company other than Chairman of Audit Committee or the Ethics Counsellor, the same should be forwarded to the Company's Ethics Counsellor or the Chairman of the Audit Committee for further appropriate action. Appropriate care must be taken to keep the identity of the Whistleblower confidential.
5. All the Protected Disclosures should be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower.
6. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistleblower. The Chairman of the Audit Committee/Ethics Counsellor, as the case may be, shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
7. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
8. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained as it would not be possible to interview the Whistleblowers.

Investigation

1. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Ethics Counsellor/Chairman of the Audit Committee of the Company who will investigate/oversee the investigations under the authorization of the Audit Committee. If any

member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand. In case where a company is not required to constitute an Audit Committee, then the Board of Directors shall nominate a Director to play the role of Audit Committee for the purpose of vigil mechanism to whom other directors and employees may report their concerns.

2. The Ethics Counsellor/Chairman of Audit Committee may at its discretion, consider involving any Investigators for the purpose of investigation.
3. The decision to conduct an investigation taken by the Ethics Counsellor/Chairman of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.
4. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
5. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
6. Subjects shall have a duty to co-operate with the Ethics Counsellor/ Chairman of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self- incrimination protections available under the applicable laws.
7. . Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.
8. Subjects 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.
9. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
10. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
11. The investigation shall be completed normally within 90 days of the receipt of the Protected Disclosure.

Procedure for Maintenance of records:

All Protected Disclosures in writing and documents identified in the complaint along with the results of investigation relating thereto, shall be retained by the Company for a period of 8 years or such other period as specified by the applicable law in force, whichever is more.

Protection of Whistle Blowers

1. 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. Complete protection will be given to the Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, demotion, transfer, 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 all reasonable steps to minimize difficulties which the Whistle Blower may experience.
2. The Company shall keep confidential the identity of the Whistle Blower, so as to encourage the Whistle Blower to provide inputs without any hesitation for the present as well as future.

3. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

Investigators

1. All investigators shall be unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.
2. Investigations will be launched only after a preliminary review by the Whistle Blower Committee which establishes that:
 - a) The alleged act constitutes a malpractice or an illegal, improper or unethical activity or conduct, and;
 - b) The allegation is supported by information specific enough to be investigated;
 - c) In cases where the allegation is not supported by enough information, the Whistle Blower Committee shall exercise discretion to conduct the investigation. In this regard, the Whistle Blower Committee shall have free and unfettered access to the Chairman of the Audit Committee who shall provide such guidance and assistance as the Whistle Blower Committee may require to facilitate a fair and independent investigation;

Reporting

The Whistle Blower Committee, after completing its investigation, shall submit a confidential report to the Chairman of the Audit Committee. All such reports of the Whistle Blower Committee shall be placed before the Audit Committee, for its review and recommendations.

Decision

1. If the investigation leads to the conclusion that a malpractice or an illegal, improper or unethical act has been committed, and based on the review and recommendations of the Audit Committee, the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as it deems fit. The management shall periodically report to the Audit Committee the status of implementation of its recommendations until the implementation is completed.
2. If the Whistle Blower makes a protected disclosure bona fide and in good faith, which is not confirmed by the investigation, no action shall be taken against the Whistle Blower.
3. Any Whistle Blower who makes a Malicious Complaint of the Subjects shall be subject to such disciplinary action as the Audit Committee may approve.

General

1. This Policy shall be subject to applicable law and regulatory prescriptions.
2. The Company reserves its right to amend or modify this Policy in whole or in part, at any time to comply with applicable regulatory requirements or otherwise. However, no such amendment or modification will be binding on the employees and directors unless the same is notified to them to writing.