



# Indiabulls Commercial Credit Limited

## Whistle Blower Policy

(Reviewed and Approved by the Board in its meeting held on dated 04.03.2020)

## Contents

<b>1. Introduction and Objective .....</b>	<b>3</b>
<b>2. Target Audience.....</b>	<b>3</b>
<b>3. Applicability and Validity of the Policy.....</b>	<b>4</b>
<b>4. Regulatory and Statutory Reference.....</b>	<b>4</b>
<b>5. Role of Whistle Blower.....</b>	<b>4</b>
<b>6. Scope .....</b>	<b>4</b>
<b>7. Purpose of this Policy .....</b>	<b>5</b>
<b>8. False Complaints.....</b>	<b>6</b>
<b>9. Vigil Mechanism .....</b>	<b>7</b>
<b>10. Constituents Of Complaint .....</b>	<b>8</b>
<b>11. Investigation .....</b>	<b>9</b>
<b>12. Safeguards .....</b>	<b>10</b>
<b>13. Non Retaliation / Protection of Whistle Blower .....</b>	<b>10</b>
<b>14. Confidentiality and Anonymity.....</b>	<b>11</b>
<b>15. Record Keeping.....</b>	<b>11</b>
<b>16. Secrecy / Confidentiality.....</b>	<b>11</b>
<b>17. Communication.....</b>	<b>12</b>
<b>18. Illustrative Process Flow Chart .....</b>	<b>13</b>
<b>19. Abbreviations.....</b>	<b>18</b>

## 1. **Introduction and Objective**

Indiabulls Commercial Credit Limited (“the Company” or “ICCL”) is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Company has formulated several policies to assist its directors, employees and other stakeholders in achieving and maintaining these standards.

The purpose of the Whistle Blower Policy (“the Policy”) is to provide an avenue for directors, employees and other stakeholders to report matters without the risk of subsequent victimization, discrimination or disadvantage. This Policy provides for adequate safeguards against victimization of whistleblowers and in case they observe unethical and improper practices or any other wrongful conduct in the Company. The Policy applies to all directors, employees and other stakeholders such as borrowers, Key Partners, Direct Selling Agents, Vendors etc. working for the Company and its subsidiaries.

In line with our vision and values, which we cherish in our organization and as a part of good corporate governance, this Policy has been formulated. No adverse personnel action shall be taken or recommended against whistleblowers/ complainants in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such whistleblowers/ complainants from unfair termination and unfair prejudicial employment practices.

However, this Policy does not protect any whistleblowers/ complainants from an adverse action which occurs independent of his disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this Policy. This Policy shall be disclosed by the Company on its website and in the Board’s report.

This Policy is an internal policy on disclosure by whistleblowers/ complainants of any unethical and improper practices or wrongful conduct. Any whistleblowers/ complainants against whom any adverse personnel action has been taken due to his disclosure of information under this Policy may approach the members of the Whistle Blower Committee.

## 2. **Target Audience**

This Policy shall apply to all directors, employees and other stakeholders such as external agencies, suppliers/vendors, consultants, contractual staff, borrowers, etc. of the company.

An employee is every bona-fide employee, i.e. regular employees (probationer, confirmed and serving notice), ex-employees, other forms of employment like trainees, consultants, retainers, etc.

“**Whistle blower**” shall mean director(s)/ employee(s)/ other stakeholder(s) of the Company who discloses in good faith any unethical and improper practices or alleged wrongful conduct.

### **3. Applicability and Validity of the Policy**

This policy will become applicable from such date as approved by the Board of Directors.

The Board will review, validate, update, and approve the Policy at least annually. Any revisions in specific aspects of this policy may be communicated through mandates issued by the relevant authority and will become part of this policy from the date they become effective.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

### **4. Regulatory and Statutory Reference**

The Whistle Blower Policy (“the Policy”) is formulated in terms of the the relevant provisions under Section 177 (9 & 10) of the Companies Act, 2013 and the rules made thereunder.

### **5. Role of Whistle Blower**

- i. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.
- ii. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Competent Authority.

### **6. Scope**

This Policy covers actual or suspected malpractices, illegal activities and instances as indicated below and allows the Whistle blower to report the same to the concerned authority(ies):

- i. Misrepresentation of facts or falsification of records/reports of the Company;
- ii. Misuse/wastage of Company Assets/Funds; (e.g.: forged bills, personal use of company assets etc.)
- iii. Pilferage of confidential Company information;
- iv. Dual employment directly or indirectly affecting the interest of the Company;
- v. Misuse of customers' money in any form; (e.g. taking unauthorized money /gifts or offer of entertainment from customers etc.);
- vi. Any undue favour to the customer for personal gains; (e.g. Forging of documents, deliberately hiding important facts etc);
- vii. Misusing/taking advantages of functional procedural lapse including misrepresentation of the facts;
- viii. Indulgence in any unlawful Act involving violation of any criminal/civil law/legislations;
- ix. Breach of Company policy;
- x. Dangerous practice(s)/ Negligence likely to cause physical harm/damage to any person/property;
- xi. Manipulation of Company's data/records;
- xii. Abuse of power or authority for any unauthorized or ulterior purpose;
- xiii. Unfair discrimination, coercion, harassment in the course of employment or provision of services.
- xiv. Submission of incorrect financial reporting,
- xv. Instances of leakage of Unpublished Price Sensitive Information
- xvi. Breach of Contract
- xvii. Any other activity, prejudicial to the interest of the Company.

However, the above should be supported by proper evidence and reliable information. Care should be taken not to indulge in baseless allegation and should not be used in place of the Company's grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

Any employee/ director/ other stakeholder, knowingly hiding information in any form regarding any unethical practices/activities in one's work place will also constitute unethical practice on the employee's part.

## **7. Purpose of this Policy**

- i. To encourage the employees/ directors/ other stakeholder to report unethical behaviours, malpractices, wrongful conduct, fraud, violation of the company's policies & values, violation of law by any employee of ICCL without any fear of retaliation. Any employee or party who in good faith reports such behaviours, malpractices will be called as Whistle Blowers.
- ii. To build and strengthen a culture of transparency and trust within the organization.

- iii. The policy provides an environment that promotes responsibility and protects whistle blowing. It reminds employees/ directors/ other stakeholders about their duty to report any suspected violation of any law that applies to the Group and any suspected violation of the Group Values or the ICCL Code of Conduct.
- iv. Above all, it is a dynamic source of information about what may be going wrong at various levels within ICCL, which will help ICCL in realigning various processes and to take corrective actions as part of good governance practice.

**“Good Faith”**: Whistleblowers shall be deemed to be communicating in good faith if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct. Good Faith shall be deemed lacking when the whistleblower does not have personal knowledge or a factual basis for the communication or where the whistleblower knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

**“Retaliation / Victimization”**: Retaliation is any act, direct or indirect, recommended, threatened or taken against a Whistleblower by any person because the Whistleblower has made a disclosure pursuant to the Policy. Retaliation includes overt/covert acts of:

- discrimination
- reprisal
- harassment
- Vengeance

## 8. **False Complaints**

Any director/ employee/ other stakeholder who knowingly makes false allegations of Unethical and Improper Practices or Alleged Wrongful Conduct to the WBC shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this Policy may not be used as a defence by a director/ employee/ other stakeholder against whom an Adverse Personnel Action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

**“Adverse Personnel Action”** means an employment-related act or decision or a failure to take appropriate action by Managerial Personnel which may affect the director(s) / employee(s)' employment/ other stakeholder(s)' involvement, including but not limited to compensation, increment, promotion, job location, job profile, immunities, leaves and training or other privileges.

**“Alleged Wrongful Conduct”** shall mean violation of law, infringement of Company's Ethics and Code of Conduct and policies, mismanagement,

misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority, power and position.

Alleged Wrongful Conduct as illustrated below may include but is not limited to:

- a) Forgery, falsification or alteration of documents;
- b) Unauthorized alteration or manipulation of computer files or internet data;
- c) Fraudulent reporting, willful material misrepresentation;
- d) Pursuit of a benefit or advantage in violation of the Company's interest;
- e) Misappropriation/misuse of Company's resources, like funds, supplies, vehicles, privileges, property and/or other assets;
- f) /Improper use of authority, power or position;
- g) Unauthorized release of proprietary information;
- h) Theft of cash;
- i) Theft of goods/services;
- j) Falsification, destruction of Company records;
- k) Authorizing/receiving compensation for goods not received/ services not performed;
- l) Authorizing or receiving compensation for hours not worked;
- m) Fraudulent insurance claims; or
- n) Providing (unauthorized) confidential information to external agencies.
- o) Solicitation accepting, Kickbacks, bribes, expensive gifts, directly or indirectly from business connections including vendors and contractors (for this purpose, gifts / complimentary, etc.)

**“Unethical and Improper Practices”** shall mean and includes-

- a) Manipulation of Company data / records;
- b) Abuse of authority at any defined level in the Company;
- c) Disclosure of confidential / proprietary information to unauthorized personnel;
- d) Any violation of applicable legal law and regulations to the Company, thereby exposing the Company to penalties/ fines;
- e) Any instances of misappropriation of Company assets;
- f) Activity violating any laid down Company policy, including the Code
- g) of Conduct;
- h) Any other activities whether unethical or improper in nature and injurious to the interests of the Company.

**9. Vigil Mechanism**

The employee/ director/ Other Stakeholders may report their concerns directly through email to [whistleblower@indiabulls.com](mailto:whistleblower@indiabulls.com) which is a dedicated email id for whistle blower concerns. The access of this email ID is provided only to the members of Whistle Blower Committee i.e., Head – Fraud Control Unit and Head – Human Resources. As and when concerned person sends a mail regarding any concern/ complaint/ feedback on above mentioned email ID, the same is

received simultaneously to the members of the whistle blower committee.

Within a reasonable time of receipt of the concern by members of Whistle Blower Committee, an acknowledgement shall be sent to the sender of the concern. The acknowledgement shall confirm receipt of the concern and inform the sender that the concern would be inquired into and appropriately addressed. In case the concern does not fall within the ambit of the Whistle Blower Policy, the sender shall be informed that the concern is being forwarded to the appropriate department/ authority for further action, as may be deemed necessary. Members of Committee ("Members") upon receipt of the concern or complaint shall immediately set in motion appropriate action to inquire into the matter. Members shall report to the subsequent quarterly Audit Committee meeting, details of the concerns received (without editing them). They shall also update the Audit Committee on the status of inquiry and actions. Further action shall be taken by members of Whistle Blower Committee based on the company's Code of Conduct violation norms or Audit Committee's directions and guidance, if any. Inquiry into the concerns received under this policy shall normally be completed within 90 days of receipt of the concern by members. Concerns requiring additional time for inquiry shall be intimated to the Audit Committee at the time of reporting the status of inquiry and actions on a quarterly basis. Once the inquiry is completed, members shall communicate the actions to be taken, if any, by respective groups within ICCL and track closure of such actions. A concern shall be kept open until such actions are initiated / completed.

The concern shall be deemed as closed upon conclusion of the inquiry and disciplinary action, recovery proceedings, initiation of external legal proceedings, or reporting as required by extant policies, after which the concern shall be reported as closed to subsequent quarterly Audit Committee meeting. The status of all concerns which are open shall be reported to the Audit Committee by members of Whistle Blower Committee on a quarterly basis. Concerns which were closed during the preceding quarter shall also be informed to the Audit Committee along with relevant details.

**10. Constituents Of Complaint**

Whistle blower must put his/her name to lodge a complaint as follow-up questions and investigation may not be possible unless the source of the information is identified. Disclosures expressed anonymously will ordinarily not be investigated.

Although a Whistle blower is not required to furnish any more information than what he/she wishes to disclose, it is essential for the Company to have all critical information in order to enable the Company to effectively evaluate and investigate the complaint. It is difficult for the Company to proceed with an investigation on a complaint which does not contain all the critical information

such as the specific charge. The complaint or disclosure must therefore provide as much detail and be as specific as possible, including names and dates, in order to facilitate the investigation.

To the extent possible, the complaint or disclosure must include the following:

- a) The director(s) / employee(s), and/or outside party or parties involved;
- b) The sector of the Company where it happened (division, office);
- c) When did it happen: a date or a period of time;
- d) Type of concern (what happened);
- e) Submit proof or identify where proof can be found, if possible;
- f) Who to contact for more information, if possible; and/or
- g) Prior efforts to address the problem, if any.

In the event a Director wish to raise a complaint or disclosure under this Policy, she/he shall consult the Chairman of the Company and/or the Chairman of the Audit Committee. All such complaint or disclosure by director(s) shall be taken forward as per the directions of the Chairman of the Audit Committee.

In exceptional or appropriate cases including when the Whistleblower believes that his/her concern is not being properly addressed or investigated, the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

#### **11. Investigation**

- i. On receipt of Protected Disclosure, the concerned authority(Whistle Blower Committee) may appoint/authorize an investigator/group of investigators to investigate into such acts. The concerned authority may, depending on the protected disclosure received, outline the detailed procedure and scope for the conduct of such investigation.
- ii. Subject shall be informed of the allegation at the time when the concerned authority on their preliminary review of the matter determine that the protected disclosure made needs to be investigated further and shall also be provided with an opportunity of being heard during the investigation.

\* "Subject" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

- iii. The concerned authority shall have the right to call for information/document and/or examination of any employee (including the Subject and Whistle Blower) as they may deem necessary in the process of investigation.

The action taken by Whistle Blower Committee in response to a report of concern under this policy will depend on the nature of the concern. The Competent Authority shall receive information on each report of concern and follow-up information on actions taken.

Initial Inquiries - Initial inquiries will be made to determine whether an investigation is appropriate, and the form that it should take. Some concerns may be resolved without the need for investigation.

Further Information - The amount of contact between the Whistle Blower and the person or persons investigating the concern will depend on the nature of the issue and the clarity of information provided.

Further information may be sought from or provided to the person reporting the concern.

**“Competent Authority”** shall refer to such authority as may be designated for the purpose of processing the protected disclosures.

**“Protected Disclosure”** shall mean any concern expressed by a Whistle blower in the mode and manner as prescribed in this policy.

## 12. **Safeguards**

Harassment or Victimization - No bonafide Whistle blower shall be harassed or victimized in any way whatsoever.

Confidentiality - The identity of the Whistle blower shall be kept strictly confidential and will be known only to the Competent Authority.

Anonymous Complaints - This policy encourages employees/Directors/other stakeholders to put their names in their complaints and concerns because appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously will generally not be entertained. Follow up of anonymous concerns will be governed by:

- The seriousness of the issue raised;
- The credibility of the concern; and
- Availability of specific and verifiable facts in the concern.

Bad Faith Allegations - Allegations in bad faith may result in disciplinary action.

## 13. **Non Retaliation / Protection of Whistle Blower**

No personnel who, in Good Faith, makes a disclosure or lodges a complaint in accordance with this Policy shall suffer reprisal, discrimination or adverse employment consequences. Any personnel who retaliates against a Whistle blower who has raised a matter in Good Faith, will be subject to strict disciplinary action up to and including immediate termination of employment or termination of his/her relationship with the Company.

If any personnel who makes a disclosure or complaint in Good Faith, believes that he/she is being subjected to discrimination, retaliation or harassment for having made a report under this Policy, he/she must immediately report those facts to his/her supervisor, manager or point of contact, or the WBC. If, for any reason, he/she do not feel comfortable discussing the matter with these persons, he/she should bring the matter to the attention of the Managing Director / Chairman of the Company. It is imperative that such personnel bring the matter to the Company's attention promptly so that any concern of reprisal, discrimination or adverse employment consequences can be investigated and addressed promptly and appropriately.

While no prejudicial or punitive action would be taken against any Whistle blower making a Protected Disclosure under this policy solely on account of his having made such a disclosure, such appropriate and or disciplinary action may be taken by the Whistle Blower Committee if in its determination it is found that the protected disclosure made by a whistle blower is false, malafide, vexatious or actuated by ulterior motives and extraneous considerations or found to be intentionally containing misleading and false averments.

**14. Confidentiality and Anonymity**

Company/Whistle Blower Committee shall treat all disclosures made under this policy as protected disclosure i.e., kept in a confidential, sensitive and secure manner. Identity of the complainant(s) shall be treated as confidential and shall not be disclosed. In case Complainant/company/ Whistle Blower Committee wants to disclose his /her identity , written consent from him/ her shall be obtained for the same.

**15. Record Keeping**

Records pertaining to the complaint shall be maintained by the Secretarial Department. The Head of Secretarial Department shall be responsible for retaining the copies of all protected disclosure and investigation thereto for a minimum period of 10 years.

**16. Secrecy / Confidentiality**

The Whistle blower, Members of Whistle Blower Committee, Audit Committee, person against whom concern is raised and everybody involved in the process shall:

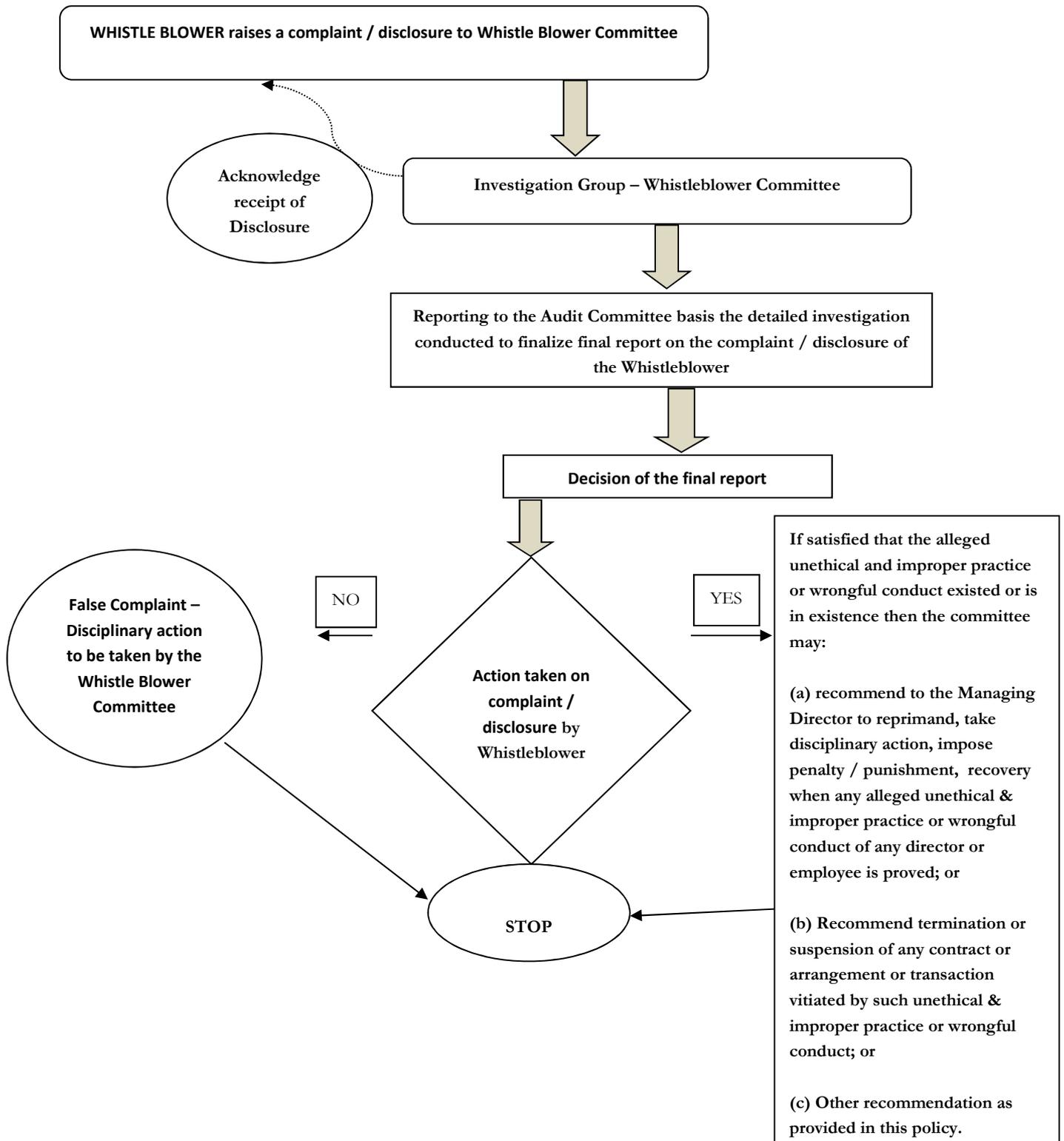
- a) maintain confidentiality of all matters under this Policy;
- b) discuss only to the extent or with those persons as required under this Policy for completing the process of investigations;
- c) not keep the documents/papers unattended anywhere at any time;

- d) keep the electronic mails/files under proper custody; and
- e) not to reveal or disclose to media, press agency and/or any other persons.

**17. Communication**

HR Head shall circulate this Policy to all employees and concerned persons.

**18. Illustrative Process Flow Chart**



### QUESTIONS THAT ONE MAY HAVE ON THIS POLICY

#### 1. **Is it my duty to Report?**

Everyone is **required** to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Values. **It is important that you report all suspected violations.**

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct and Values has occurred or is occurring, report that potential violation.

Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws. **You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations 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.

#### 2. **Will my identity be kept confidential if I report?**

For the purpose of providing protection to the whistle blower/complainant, he/she should try and disclose his/her identity to committee. The committee will ensure that it keeps your identity confidential to the extent possible.

The best way to keep your identity confidential is to follow the approach listed in this policy.

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

#### 3. **Can I report without revealing my identity?**

Whistle blower must put his/her name to lodge a complaint as follow-up questions and investigation may not be possible unless the source of the information is identified. It also enables the committee to seek additional support from the whistle blower if need be. This helps in investigating a violation thoroughly, accurately and enables the committee to take action immediately. Disclosures expressed anonymously will ordinarily not be investigated.

Please ensure that you submit enough data, details and evidence to the extent possible which clearly substantiate the violation that has occurred. Any instance / rumour of violation of code of conduct or policy, etc. that is not accompanied by concrete evidence will not be considered.

**4. Will I be victimized if I report?**

To protect the whistle blower/complainant, ICCL has a strict policy against retaliation or victimization

No one may take any adverse action against any employee/director/other stakeholders for complaining about, 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.

The Company takes reports of such retaliation/victimization seriously. Incidents of retaliation/victimization against any employee /director/other stakeholders reporting a violation or participating in the investigation of a reasonably suspected violation will result in **appropriate disciplinary action against anyone responsible, including possible termination of employment.**

Those working for or with the Company who engage in retaliation/victimization against whistle blowers /Complainants may also be **subject to civil, criminal and administrative penalties.**

**5. What all should I cover in my report?**

Your report should include as much information about the suspected violation as you can provide including but not limited to:

- a) The director(s) / employee(s), and/or outside party or parties involved;
- b) The sector of the Company where it happened (division, office);
- c) When did it happen: a date or a period of time;
- d) Type of concern (what happened);
- e) Submit proof or identify where proof can be found, if possible;
- f) Who to contact for more information, if possible; and/or
- g) Prior efforts to address the problem, if any.

Where possible, it should describe the nature of the suspected violation and any other information in regard to the suspected violation which may be useful for the WBC or any other relevant authority for resolution of the complaint/concern.

**6. Will I be contacted by the committee after I complain?**

you may be contacted by the committee members for further information.



## Annexure 1: Template for Reporting Violation

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To: \_\_\_\_\_

**Violation details:**

- a. Which aspects of the whistle blower policy have been violated?
- b. Who is /are the individual/ people/ functions involved?

**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:**

Reporting done by individuals disclosing their names will be attended to first.

**19. Abbreviations**

<b>Abbreviations</b>	<b>Details</b>
ED	Executive Director
HR	Human Resource
ICCL	Indiabulls Commercial Credit Limited
WBC	Whistle Blower Committee