



# WHISTLE BLOWER POLICY



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## 1. Preamble

- 1.1. The Bank encourages an open and transparent system of working and dealings amongst the employees, customers and members of general public coming into contact with the Bank by adopting the highest standards, integrity and ethical behaviour. The Bank has a detailed "Code of Conduct and Ethics Policy" that directs the employees to uphold the company values and urges them to conduct business worldwide with integrity and highest ethical standards. The Bank is determined to prevent any illegal / unethical practice and non-compliance of Code of conduct, through the Whistle Blower Policy. The prevalent "Whistle Blower Policy" in the Bank came into force with effect from 14<sup>th</sup> July 2004, which encompasses a comprehensive framework of managing complaints of every stakeholder.
- 1.2. While the Bank would like all its stakeholders to help the Bank in maintaining higher ethical standards by means of this Policy, it expects that it will encourage various stakeholders namely, the Bank's employees, customers, suppliers, vendors, shareholders, etc. to bring to the notice of the Bank any issue involving compromise / violation of ethical norms, legal or regulatory provisions, etc., without any fear of reprisal, retaliation, discrimination or harassment of any kind. This policy has also been put in place to provide a mechanism through which adequate safeguards can be provided against victimization of employees who avail of this mechanism.
- 1.3. Re-visiting the said policy is envisaged to realign with the changing Business environment and to encompass the guidelines issued by the Reserve Bank of India to the Private Sector Banks in India from time to time and amendments made to the listing agreement

## 2. Objectives

- 2.1. The policy aims at quickly spotting aberrations and dealing with it at the earliest through an established mechanism enabling employees and other stakeholders to report to the management, concerns about illegal / unethical behaviour, actual or suspected fraud or violation of the Bank's code of conduct or ethics policy.
- 2.2. Through sustained best practices, thrive to raise the standard of ethics, morals & integrity and to encourage a culture of openness & transparency in dealings between employees / customers and all members of public who come in contact with Bank.
- 2.3. To disseminate among the employees assuring confidentiality and protection to the whistle blower against any personnel vindictive actions such as humiliation, harassment or any other form of unfair treatment.

### 3. Scope and coverage

- 3.1. The complaints under the policy would cover the areas such as corruption, misuse of office, criminal offences, suspected / actual fraud, failure to comply with existing rules and regulations such as Reserve Bank of India Act, 1934, Banking Regulation Act 1949, Securities and Exchange Board of India (SEBI) Act, 1992 and circulars / notifications issued by SEBI with respect to securities market activities undertaken by the Bank etc. and acts resulting in financial loss / operational risk, loss of reputation, etc. detrimental to the interest of the Bank, the depositors and the public.
- 3.2. The policy would also cover reporting of instances of leakage/suspected leakage of unpublished price sensitive information which are in violation to the SEBI (Prohibition of Insider Trading) Regulations and related internal policy, i.e. the Share Dealing Code of the Bank.
- 3.3. The Bank has provided this Policy so that such wrong doings can be raised at an early stage and in the right way. The policy is primarily meant for the issues where the interests of external agencies, customers, or other entities dealing with the Bank are at risk.
- 3.4. Where an employee is aggrieved about her/ his personal position, she/he may use the grievance redressal mechanism as instituted by the Bank.

### 4. The Scheme

- 4.1. **Definitions:**
  - 4.1.1. **Policy** - This Policy refers to the "Whistle-Blower Policy."
  - 4.1.2. **Whistle Blow of a Wrongful or Unethical Practice** - Any communication made in good faith that discloses an intention or evidence of an ongoing malpractice.
  - 4.1.3. **An Authority:** The policy defines a specific process to be followed for escalation of information regarding the wrongful or unethical practice. The person/authority to which the communication may be sent, the manner of sending communication and the manner in which the information received would be dealt which is clearly defined in the policy. The authority which deals with the information provided by a whistle-blower must be independent, senior and responsible — and the policy must provide for confidentiality of the information as well as of the identity of the informer.
  - 4.1.4. **Whistle-Blower-** Whistle Blower means an Employee/Individual/any stakeholder making a complaint in good faith towards the Bank under this Policy. "A whistle-blower is a person who raises a concern about wrongdoing occurring in an organization or body of people. Whistle-blowers may choose to make their allegations internally (for example, to other people within the accused organization) or externally (to regulators, law enforcement agencies, to the media or to groups concerned with the issues)."

- 4.1.5. **Good Faith-** An employee shall make a complaint in 'good faith' if there is a reasonable basis for communication of the alleged wrongful conduct. Good faith shall lack in its eventuality when the employee does not have factual basis for the communication.
- 4.1.6. **Whistle Officer/Investigation Officer-** Officer nominated by the Competent Authority to conduct detailed investigation under this policy.
- 4.1.7. **Disciplinary action-** Any action that can be taken as envisaged in the Conduct regulations of the Bank.
- 4.1.8. **Disciplinary Authority** – As designated by Bank.
- 4.2. **Eligibility-** Various stakeholders of the Bank are eligible to make complaint under the Policy. These stakeholders may fall into any of the following broad categories:
  - 4.2.1. The Employees of the Bank, customers, stakeholders, non-governmental organizations (NGO), the general Public can lodge complaints under the Policy.
  - 4.2.2. Employees of other agencies deployed for the Bank's activities, whether working from any of the Bank's offices or any other location.
  - 4.2.3. Contractors, vendors, suppliers or agencies (or any of their employees) providing any material or service to the Bank.
  - 4.2.4. Customers of the Bank.
  - 4.2.5. Shareholders of the Bank.
  - 4.2.6. Any other person having an association with the Bank

## 5. Whistle Blower's Role, Rights and Responsibilities

- 5.1. The Whistle Blower will report the misconduct with reliable information.
- 5.2. Whistle-Blower will not act on his own in conducting any investigation.
- 5.3. Whistle Blower will not file a complaint for personal gain.
- 5.4. Whistle-Blowers will give information supported by reasonable evidence that an alleged wrongful conduct has occurred. However, the intentional filing of a false complaint will be considered an improper activity and management will have the right to act upon that.
- 5.5. Whistle-Blowers will not try to obtain any evidence for which they do not have a right of access. Indulging in such activity shall be liable for appropriate action.

- 5.6. The identity of the whistle-blower will not be disclosed except where required under the law or for the purpose of the investigation or the complainant himself has made the details of the complaint either public or disclosed his identity to any other authority.
- 5.7. This policy may not be used as a protection by any employee against whom a disciplinary action has been taken or is already in process under Bank's rules and policies.

#### **6. Procedure for lodging/receiving complaints under the policy**

- 6.1. The Chief of Internal Vigilance (CIV) in the Bank shall be the Competent Authority to receive complaints under the policy.
- 6.2. The complaint should be in writing.
- 6.3. The complaint should be sent in a closed / sealed envelope.
- 6.4. The text of the complaint should be carefully drafted.
- 6.5. The envelope should be addressed to the:

**Chief of Internal Vigilance (CIV)**  
**The HDFC Bank Ltd,**  
**HDFC Bank House,**  
**Senapati Bapat Marg,**  
**Lower Parel (W), Mumbai 400 013**

- 6.6. The envelope should be super scribed "**Complaint under Whistle Blower policy of Bank**".
- 6.7. In addition to above, any person sighting any of the said adverse activities may also choose to report the same to the below mentioned Authorities, i.e. members of the Whistle Blower Committee, within 3 (three) months from the date he/she comes to know about the said adverse activity. An additional provision has been made for filing such complaints under the policy wherein a generic email address "[whistleblower@hdfcbank.com](mailto:whistleblower@hdfcbank.com)" has been created, which is mapped to the following Authorities and the CIV:

Sr. No.	Name	Address	Email address
1	Mr. Kaizad Bharucha	6 <sup>th</sup> Floor, 'HDFC Bank House', Senapati Bapat Marg, Lower Parel (W), Mumbai-400013	<a href="mailto:kaizad.bharucha@hdfcbank.com">kaizad.bharucha@hdfcbank.com</a>
2	Mr. Sashidhar Jagdishan	4 <sup>th</sup> Floor, 'HDFC Bank House', Senapati Bapat Marg, Lower Parel (W), Mumbai-400013	<a href="mailto:sashi.jagdishan@hdfcbank.com">sashi.jagdishan@hdfcbank.com</a>

3	Mr. Chakrapani	V.	5 <sup>th</sup> Floor, 'HDFC Bank House', SenapatiBapat Marg, Lower Parel (W), Mumbai-400013	<a href="mailto:v.chakrapani@hdfc&lt;br/&gt;bank.com">v.chakrapani@hdfc bank.com</a>
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- 6.8. The complainant should ensure that the issue raised by him involves malpractices detrimental to the interest of the Bank and the public at large. Whistle Blower should study all the relevant facts and understand the significance of the matter and thereafter having satisfied of the misdeed or wrongful act should make the complaint.
- 6.9. No acknowledgment would be issued and the whistleblowers should not enter into any further correspondence with Bank in the matter.
- 6.10. The anonymous /pseudonymous complaints shall not be investigated upon but the same are to be filed on record and if at any stage the Whistle Blower comes forward identifying himself/herself to be the initiator of subject anonymous/pseudonymous complaint with sufficient proofs, then the Whistle Blower Committee at its' discretion may take up such case for investigation.

#### **7. Procedure for maintenance of records**

- 7.1. The Vigilance Department will maintain a register of such complaints noting the serial number of the complaint, date of receipt, date of complaint, brief contents/allegations made in the complaint.
- 7.2. In order to keep confidentiality of the identity of the complainant no acknowledgment will be issued to the Complainant.
- 7.3. Complaints, received under the policy, other than by the above mentioned designated Authorities shall be forwarded to them or to the Vigilance Department with a covering letter in duplicate to serve as an acknowledgement for the recipient Department, marked "Confidential – complaint under Whistle Blower Policy".

#### **8. Procedure for enquiry /Investigation/ Handling the Complaint**

- 8.1. Complaints under the policy received by the Vigilance Department shall be discreetly enquired into immediately.
- 8.2. The complainants need not enter into any further correspondence with the Bank in their own interest. It is necessary to verify the contents of the complaint. Bank will get in touch with the complainant at the address / phone number / e-mail ID given in the complaint.
- 8.3. All Whistle Blower complaints received in the office would be seen by the Whistle Blower Committee as the case may be. The covering letter would be detached and kept under safe custody.



- 8.4. The Competent Authority/Whistle Blower Committee may assign the investigation to an appropriate "Authority" ensuring that the identity of the whistle blower is not disclosed.
- 8.5. If any complaint received with the allegation coming in the ambit of POSH(Prevention of Sexual Harassment) act, the same will be referred to the Committee constituted under POSH act in the Bank.
- 8.6. All relevant papers / documents with respect to the matters raised in the complaint will be obtained, if necessary, by the Vigilance department and investigation in the matter will be commenced immediately.
- 8.7. The investigation report in the matter would be submitted within 45 days of the receipt of complaint.
- 8.8. Such investigation reports shall be submitted by the Competent Authority to the Whistle Blower Committee members for their review/ concurrence. However, if the employee against whom the investigation is carried out is an official who is a part of the Business Vertical/Segment headed by any of the Whistle Blower Committee members; in such case, the competent authority while submitting the investigation report to the Whistle Blower Committee shall advise such Committee member to recuse himself from the review and decision making process. Further, if the employee against whom the investigation is carried out is an official who is a part of the Whistle Blower Committee; in such cases, the Competent Authority shall keep the Audit Committee immediately informed on receipt of such complaints and submit the investigation report directly to the Audit Committee of the Board for their review/ concurrence under intimation to the other Whistle Blower Committee members.

## **9. Decision/ Reward/ Punishment**

- 9.1. On the basis of the investigation report, if allegations are proved to be correct then the Competent Authority shall recommend to the appropriate Disciplinary Authority to take suitable action against the responsible official as per the Conduct Regulations of the Bank. The Whistle Blower Committee and the Competent Authority shall be kept informed by the Disciplinary Authority on such disciplinary action being taken/taken based on the recommendations made in the investigation report so as to have their oversight on such actions..
- 9.2. In case complaint proves to be wrong/incorrect then Bank may take disciplinary/appropriate action against the complainant for making false allegation and wasting Bank's time. The decision of the Whistle Blower Committee in this regard shall be final and binding on all.
- 9.3. Whistle Blower Committee shall also have powers to look into and take necessary steps / actions in respect of any complaints received from the complaining employee about any harassment/victimization etc., such action may include involuntary demotion/resignation/retirement, disciplinary action, termination of employment, rejection of

confirmation (in case of probation), etc. subsequent to his/her disclosing the concern to the Investigating Officers.

- 9.4. If complainant is not the employee of the Bank and allegation proves to be false and baseless then the Bank will have right to take legal/appropriate action against the complainant and complainant shall be liable to compensate the person against whom complaint is lodged.
- 9.5. Preventive measures or any other action considered necessary shall also be taken by the Competent Authority.

#### **10. Protection available to the complainant**

- 10.1. If the complainant is a staff member he / she should give his / her name and address with pin code, phone number and / or e-mail ID, if any, prominently at the beginning or at the end of the complaint or in the covering letter.
- 10.2. If any person is aggrieved by any action on the ground that he/she is victimized due to filing of the complaint, he/she may file an application before the Audit Committee seeking redressal in the matter. Audit Committee will take such action, as deemed fit including providing direct access to the Chairman of Audit Committee in exceptional cases. In case the complainant is an employee of the bank, the Bank will take all measures, preventing initiation of any adverse personnel action against the complainant.
- 10.3. The system evolved herein shall be in addition to any of the existing grievances redressal mechanism in place. However, secrecy of identity of the complainant shall be observed, if the complaint is received under the scheme.
- 10.4. In case the Bank finds that the complaint is motivated or vexatious, it shall be at liberty to take appropriate steps.
- 10.5. In the event of the identity of the informant being disclosed in spite of Bank's directions to the contrary, the Competent Authority will be initiating appropriate action as per extant regulations against the person or agency making such disclosure. Competent Authority may also direct such person or agency to suitably compensate the complainant.

#### **11. Review of the process.**

- 11.1. A Quarterly report with the number of complaints received under this mechanism and their outcome shall be placed before the Audit Committee.
- 11.2. An Annual report with the number of complaints received under this mechanism and their outcome shall be placed before the Managing Director.

- 11.3. Audit committee shall review the functioning of the Whistle Blower mechanism on annual basis as to the essentialness of bringing in any changes/improvements in the Whistle Blower Policy of the Bank.

**12. Retention of documents.**

- 12.1. All Whistle Blower cases in writing or documented along with the results of investigation relating thereto shall be retained by the Bank for a minimum period of seven years.
- 12.2. The proceedings of the each Whistle Blower case duly reviewed/signed by the Concerned Authorities to be maintained for future requirement of either the Bank or the External Authority.

**13. Implementation of the Policy**

- 13.1. This policy will be applicable to all the Branches/Corporate offices of the Bank with immediate effect.
- 13.2. The "Whistle Blower Policy" will be displayed in the Bank website as well as on intranet of the Bank and details of establishment of such mechanism shall be disclosed in the Board's report to Shareholders.
- 13.3. A copy of the "Whistle Blower Policy" will also be displayed at prominent place inside the Bank's premises for general information and notice of all members of staff, customers and general public.

**14. Amendments & Interpretations**

- 14.1. The Bank reserves its right to amend or modify this Policy in whole or in part, at any time, without assigning any reason whatsoever.
- 14.2. The decision of the Whistle Blower committee is final when it comes to interpretation of any clause mentioned in the policy.

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