

WHISTLE BLOWER POLICY

1. PREAMBLE

1.1 Whistle Blowing is the disclosure by Directors of the Bank's Board and Employees about illegal, immoral or illegitimate practices under the control of their employers, to persons or organizations that may be able to effect action. While the reporting of sensitive issues may be part of the individual's role within the organization (e.g., internal auditors, inspectors), when the individual finds it necessary to reveal such findings to organizational members outside the normal chain of command, it is also considered whistle-blowing through internal channels. Whistle blowing also encompasses situations where individuals go out of the organizational hierarchy and make information available to public or other external authorities to get a positive action.

1.2 In banking business, Whistle Blowing pertains to reporting matters of any serious violation of norms/regulatory guidelines, gratification, gross misrepresentation or gross deviation from the laid down procedures. Such matters may also include attempts at concealment or erasing evidences/trails of wrong doing, adoption of procedures to circumvent the rules thereby giving a legitimacy to the otherwise wrong practices, abetting or adopting coercion for putting through such ill-conceived transaction, etc. All of these actions that are done with intent of deriving direct or indirect benefit both in monetary and non-monetary measures.

1.3 In terms of Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of (Listing Obligations and Disclosure Requirements) Regulations, 2015 every listed company shall establish a vigil mechanism (Whistle Blower Mechanism) for Directors and Employees to report genuine concerns in such manner as may be prescribed and provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the

Chairperson of the Audit Committee of the Board (ACB) in appropriate or exceptional cases. Further, the Audit Committee of the Board shall oversee the Whistle Blower mechanism. The details of establishment of such mechanism shall be disclosed by the Company/Bank on its website, if any, and in the Board's report. In accordance with the provisions, Bank has laid down the following provisions to establish the Whistle Blower Mechanism in the Bank.

2. OBJECTIVE

2.1 The Policy aims at spotting aberrations and dealing with it at the earliest through an established mechanism enabling the Employees and the Directors of the Bank's Board to make Protected Disclosures under this Policy without any fear of reprisal, retaliation, discrimination, or harassment of any kind.

2.2 The Policy through sustained best practices, aims to raise the standard of ethics, morals, and integrity and to encourage a culture of openness and transparency in dealings with the Employees and Directors of the Bank's Board.

2.3 This Policy aims to establish a mechanism to receive protected disclosure relating to any allegation of corruption or wilful misuse of power or wilful misuse of discretion against any employee of the bank and to inquire or cause an inquiry into such disclosure and to provide adequate safeguards against victimization of the person making such protected disclosure and for matters connected therewith and incidental thereto.

3. GLOSSARY OF TERMS:

The terms used in this Policy shall have the meaning as described below:

- **Audit Committee** shall mean the Audit Committee of the Board constituted by the Bank.
- **Board** shall mean the Board of Directors of the Bank.
- **Competent Authority** refers to the Authority competent to examine & deliberate on the investigation report and give appropriate directions in case of complaints/ Protected disclosures.

- **Designated Official** refers to the Authority authorized to receive and prima-facie examine the complaints under the Policy.
- **Director** refers to a member of the Board of Directors of the Bank.
- **Employee** refers to the personnel employed by the Bank on a full time, part-time or contractual basis in India or overseas.
- **Investigation Authority** shall mean the Officer authorized to Head the investigation.
- **Investigation Officer(s)** shall mean any internal officer(s) of the Bank or any external agency (ies) authorised to conduct an investigation under this Policy.
- **Policy** shall mean this "Whistle-Blower Policy" as amended, modified, re-stated or substituted from time to time.
- **Protected Disclosure** shall mean any communication by a Whistle blower, made in good faith, relating to any matter specified under Clause 4 of this Policy
- **Subject** means a specific branch and/or employee in respect of whom disclosure is being made.
- **Whistle blower** refers to an Employee and Director, who makes a Protected Disclosure of any actual or suspected occurrence(s) of illegal, unethical, or inappropriate action(s), wrongdoing(s), behaviour (s), or practice(s) by a Subject in relation to the business, operations, or affairs of the Bank, in the form and manner as provided in this Policy.

4. SCOPE & COVERAGE

4.1 All Employees or Directors of the Bank are encouraged, as a preventive vigilance measure, to report incidences of financial misconduct, wherever noticed.

4.2 The Policy intends to help employees or Directors of the Bank who may have concerns over any wrong doing within the Bank to report unlawful conduct, misconduct, malpractices, violation of any legal or financial mismanagement, accounting irregularities, etc.

4.3 Any Director or Employee who has a reasonable belief that there is a serious malpractice, may raise a protected disclosure in prescribed procedure, relating to fellow employee(s), immediate superior/subordinate or senior management employee (s) including CGMs/ EDs/ WTDs/ Directors of the Bank. Protected disclosures must be raised without malice but in good faith, without negligence and the director or employee must reasonably believe that the information disclosed and any allegations contained in it are substantially true.

4.4 This Policy is applicable to Protected Disclosures with respect to actual or suspected occurrence(s) of illegal, unethical, or inappropriate action(s), behavior(s), or practice(s) committed by any Subject including the following (the list given below is only an indicative list and not exhaustive in nature):

- a) Failure to comply with legal / KYC/AML violations to provide some undue advantage to anyone.
- b) Bank funds used in an unauthorized manner
- c) Misuse of office and authority
- d) Violation of internal accounting / internal control / operational guidelines / policies etc.
- e) Violations of the laid down policies, rules, regulations, communicated procedures of the Bank.
- f) Data breach and/or un-authorised disclosure of Bank's proprietary data including customer data.
- g) Violation of central or state laws, rules, regulations, and/or any other regulatory/ judicial directives.

4.5 Directors and employees who observe/ witness an unethical or improper practice (not necessarily a violation of law) or any other genuine concern shall approach the concerned Designated Official, as the case may be, without necessarily informing their supervisors.

4.6 The nature of complaint/ protected disclosure should be any unethical or improper practice or violations of the Staff Rules or Code of Conduct and Ethics, which is related to business matters, instances of leak of unpublished price sensitive information, failure to comply with regulatory provision, Criminal offence (fraud, corruption or theft) committed or suspected to be committed, fraudulent activity in account, breach of contract, misuse of official position, unauthorized use or misappropriation of Bank's funds/assets, manipulation of Banks data/records, any unauthorized activity which is detrimental to Bank's reputation, causes financial loss, operational risk etc. or any other genuine concerns relating to IDBI Bank.

Exclusion:

The following types of complaints are excluded from the scope of this Policy:

- a) Repetitive complaints which are largely unsubstantiated and/or without any value addition or on which decision has already been taken.
- b) Complaints which are vague, ambiguous and do not contain specific and verifiable information so as to establish a prima facie case for investigation.
- c) Matters relating to inter-personal issues, sexual harassment at work place, personal misconduct, grievances relating to transfers, promotions, performance appraisal etc., would be addressed by the appropriate mechanisms already in place in the Bank.
- d) Matters which are pending before a court of law, tribunal, other quasi- judicial bodies or any government authority.
- e) Matters/cases where disciplinary actions have been already initiated by the Bank.
- f) Complaints made to other departments/forums may be referred to the applicable investigation department directly by the departments/channels receiving the

complaint and the complaint would be dealt with as per the extant/existing process.

- g) Anonymous/Pseudonymous complaints shall not be taken cognizance of, as a matter of principle and will be appropriately dealt with.

5. ELIGIBILITY

Directors and Employees of the Bank are eligible to make Protected Disclosures under this Policy.

6. WHISTLE BLOWER ROLE, RESPONSIBILITY & PROTECTION:

6.1 All Protected Disclosures should contain factual information in relation to the matter being reported rather than any speculative information and must contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures.

6.2 The intentional filing of a false disclosure by any employee/director will be considered as improper activity and the Bank will have the right to act upon that and take appropriate disciplinary action against the person making such intentionally false disclosure.

6.3 This Policy may not be used as a protection by any Employee against whom a disciplinary action has been taken and / or is already in process under the Bank's rules and policies.

6.4 The Whistle Blower should ensure that the issue raised by him/ her is covered within the scope of this Policy and that he/ she has a reasonable basis for believing that the alleged misdeed or wrongful act has transpired.

6.5 The Whistle blower is not entitled to determine/direct what type of corrective or remedial action may be warranted or decided by the Bank with respect to a Protected Disclosure.

6.6 The identity of the Whistle Blower will not be disclosed except where required under the law or to the extent required to be disclosed to the Investigation Officers and the team carrying out the investigation/ processing of case specified in the Protected Disclosure.

6.7 The Designated Official shall keep utmost secrecy of the complaint/concern received and should not divulge the same in public and also the name of the employee to be kept confidential.

6.8 If an employee is aggrieved by any action against him/her on the ground of making any bonafide disclosure, he may report the matter to concerned authority as indicated below, seeking redressal.

Complaint Against	Concerned Authority
Employees upto GM Grade	ED-IAD
CGM	DMD
EDs	MD & CEO

In case of complaints against Directors, the matter may be reported to Board (Any other Director).

6.9 The Bank shall endeavour to take necessary steps to protect the identity of the whistle bower and shall provide for adequate safeguards against victimization of those who avail of the whistle bower mechanism for bonafide protected disclosures. In exceptional circumstances, in case no resolution is received, the employee may also escalate to the Chairman of Audit Committee of Board (ACB) at the dedicated email id (acb.chairman@idbi.co.in), if deemed necessary. The Chairman ACB will ensure that no punitive action is taken by any authority concerned against any person on perceived reasons/suspicion of being “Whistle Blower”. Directors may report such matters to the Board for appropriate action.

6.10 If there is a prima facie case and it has been determined that a member of the staff has suffered adverse treatment, harassment or victimization as a result of his or

her act of whistle blowing under the Policy, a further investigation shall be undertaken under the direction of the concerned authority (mentioned at para 6.8 above) or ACB/Board as the case may be, which can appoint official/s from the Bank/any external agency (ies) to conduct the investigation and action would be taken against the perpetrator in accordance with the relevant procedures as laid down at para 7.12 & 7.13.

6.11 In the event of the identity of the whistle blower being unauthorisedly disclosed, the Bank is authorized to initiate appropriate action as per Bank's Guidelines against anyone making such unauthorized disclosure.

6.12 This mechanism should not be misused for personal benefits/pecuniary gains. Hence, any such matter referred through whistle blowing mechanism would not be taken cognizance of.

7. WHISTLE BLOWING MECHANISM

7.1 Whistle Blowers (employees) may send such protected disclosure to the bank through an 'email Whistle Blower' facility made available on the Bank's Intranet site or any other mechanism introduced from time to time. Verbal communication will not be entertained and should be avoided. The dedicated email ids of the DOs shall be suitably displayed on the intranet. Reporting complaints/ protected disclosure against Top Management of the Bank i.e. Officials above the rank of GM (i.e. CGMs and EDs) including CGM-IAD & Designated Official for Whistle Blower Mechanism may be made by way of dedicated email or written letters.

7.2 In case a Director of the Board, wishes to report a protected disclosure to the Bank, he may do so by way of a written communication to the Chairman of the Board on the designated email id: board.chairman@idbi.co.in containing full particulars and accompanied by supporting documents, if any, to facilitate any investigation, if found warranted.

7.3 The information by the whistle blower should be sent by disclosing his/her identity and not anonymously.

7.4 Only an authorized person shall receive/access mail of the whistle blower. The designated department would be Internal Audit Department and the Designated Official (DO), Competent Authority and Reporting Authority in respect of whistle blower mechanism is as under.

S. N.	Complaint Against	Designated Official i.e. (DO)	Investigating Authority heading the investigation	Competent Authority for Direction	Reporting Authority (Quarterly Reporting)
1	Employees up to the rank of GM	CGM- IAD (nominated by ED- IAD)	GM Level officer appointed by ED- IAD	ED-SIA	ACB
2	CGMs	ED-IAD	CGM Level officer appointed by DO	DMD	ACB
3	EDs	DMD	ED Level officer appointed by DO	MD & CEO	ACB
4	WTDs, Directors of Board, including ACB Chairman	Chairman of the Board	Board appointed Committee of Directors	Board	
5	Chairman of the Board	Board (Any director of the Board)	Board appointed Committee of Directors	Board	

The person against whom the complaint is received shall recuse from the meeting where such matter is discussed

CGM-IAD & Designated Official and the Team handling Whistle Blower Mechanism will receive SMS/e-mail notification/alert for all the protected disclosure filed in the Bank for the purpose of monitoring and updating the status to ACB/Board.

7.5 The concerned Designated Official on receipt of the notification/mail/complaint from a whistle blower will initially scrutinize the same

within a fortnight from the receipt of the mail/ complaint. The Designated Official, while maintaining utmost confidentiality, shall through the team handling whistleblower mechanism, notify the whistle blower and acknowledge receipt of reported/ suspected violation within 15 working days from the receipt of the mail/information.

7.6 Once, the Designated Official receives the disclosure for consideration under the Whistle Blower Policy, the authorized-officials from the team handling whistle blower mechanism will enter the same in a Corporate Register containing brief particulars of the disclosure received under this Policy while maintaining utmost confidentiality. He/ she shall assign a Unique Reference Number (URN) to each disclosure. All inter-office correspondence in respect of disclosures received under Whistle Blower Policy will be done citing only Unique Reference Number (URN) and not the name of the Whistle Blower.

7.7 All complaints/concerns received from the whistle blower shall be promptly investigated and appropriate action, wherever required, would be taken as per the mechanism enumerated at para 7.12 & 7.13.

7.8 The Designated Officials/ ED-IAD, as the case maybe, on receipt of the email notification or any protected disclosure shall have the powers to appoint an Investigation Authority and a team of investigating official(s) to conduct a full-fledged investigation and submit a report on the complaint received.

7.9 The Investigating Authority shall submit the report to the Competent Authority within a period of 45 working days from the date of their appointment as the Investigating Authority. Extension of time, if any, by the Competent Authority may be decided depending on the complexity of the case and on a case-to-case basis, suitable extension may be granted, but such extension of time should not be more than 30 working days. Cases beyond 75 days will be reported to ACB/Board by CGM IAD & Designated Official and Team handling Whistle Blower Mechanism.

7.10 The Designated Official may close the matter, if after conducting an investigation, and based on the directions of the Competent Authority, the following is observed

- a) The facts and allegation/s contained in the disclosure are frivolous or vexatious;
or
- b) There are no sufficient grounds for proceeding with the case.

7.11 The Subjects shall have a duty to co-operate with the Designated Official and the Investigation Authority / any of the Investigation Officers during investigation.

7.12 Investigation Authority shall place the investigation report and supporting documents, if any, in respect of any Protected Disclosure before the Competent Authority for deliberation on the findings of the report and further directions. Post examination of the report, the Competent Authority shall give necessary directions to the concerned parties. The timeline for initiating further action as per directions of Competent Authority will be 30 working days or period as decided by Competent Authority. In cases where compliance would require more time, the Competent Authority may issue directions accordingly.

7.13 Disciplinary action shall be initiated against the officers / employees held accountable as per the procedure laid down under the IDBI Ltd Officers (Discipline & Appeals) Rules, 2006/ or IDBI Staff (Rules), 2004, as applicable. As far as possible, name of the Whistle Blower shall not be cited as witness in such proceedings, in the capacity of Whistle Blower.

7.14 In case of the protected disclosure received against a director; the Bank shall take action as per the direction of the Competent Authority. In case of any disciplinary action perceived against Bank's employees/ officers after undergoing due process, Bank shall take further course of action as per laid down guidelines.

7.15 The Whistle Blower mechanism, including the progress on action taken on all complaints received from a whistle blower, shall be monitored by the ACB/Board.

Accordingly, the CGM-IAD in charge of whistle Blower Mechanism and the Team handling Whistle Blower Mechanism shall submit the list of all Protected Disclosures along with action taken thereon including reporting of complaints of victimization of whistleblowers to the ACB/Board, as the case may be, on quarterly basis.

7.16 All documents and records relating to the Whistle blowing will be maintained as per Banks extant Document Handling and Retention Policy under the head Vigilance at page no 39 (modified from time to time) or till the completion of the final speaking order, if any to be issued by the Designated Official, whichever is later.

7.17 As the nature of complaints received and investigated by Whistle Blower Mechanism and by the Vigilance Department (VgD), sometimes, are similar in nature and due to the same there could be possibility of reporting of the same matter/complaint to both the departments. Considering the same, both the departments should liaise on regular basis to avoid the chances of duplicate reporting of the same complaint.

8. FRIVOLOUS COMPLAINTS

In case of repeated frivolous complaints/ complaints filed with malafide intent by a Director or an employee, the Competent Authority may direct suitable corrective/disciplinary action against the concerned Director or against the employee.

9. WHISTLE BLOWER APPROACHING EXTERNAL AUTHORITIES

Whistle Blower can also approach the Central Vigilance Commission (CVC) for complaints for disclosure on any allegation of corruption or misuse of office by following the procedure laid down by CVC in this regard.

10. TRAINING & AWARENESS:

Employees should be aware of their responsibilities as individuals and their obligations towards the Bank to protect its reputation and furthering its business. Training and awareness programmes may be conducted to inform employees about the Policy.

11. VALIDITY

The Policy on Whistle Blower would be reviewed every year by Internal Audit Department for any modifications/improvements etc., in the light of experience gained/statutory requirements. However, the Bank reserves the right to review/modify/amend the Policy on Whistle Blower, whenever deemed necessary.

12. INTERPRETATION

In the event of any doubt in interpretation in any of the provisions/applicability with regard to the Policy on Vigil Mechanism, the Bank reserves the right and the decision of the Bank will be final and binding.
