

## WHISTLEBLOWER POLICY

### Preamble

An updated version of the Whistleblower Policy ("**Policy**") is being implemented. Reference is also drawn to RBI circular no [RBI/2006-2007/328: DO DBS .FrMC No. BC 5 /23.02.011 /2006-07] dated April 18, 2007 (Annexure-1), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") and the Companies Act, 2013 as amended from time to time.

The Policy was adopted by the Bank in 2005 and has been periodically reviewed and revised. This Policy gives Whistleblower(s) (as defined herein) a platform to report their concerns/grievances without fear of retribution or vengeful action from the persons against whom the Protected Disclosure was submitted, in addition to providing for requisite actions to be taken on a Protected Disclosure being received by the Bank.

The Policy has been referred to in the Code of Conduct and Ethics Policy (as defined hereinafter), and a is hosted on the Bank's website as well as Internal Employee Communication Platform. All employees are required to submit annual declarations of having read and understood this Policy.

The potential Whistleblowers are advised to go through the Policy's contents carefully and exercise their rights judiciously.

### 1. Preface

A central tenet in the Bank's policies on corporate governance is a commitment to ethics, integrity, accountability, and transparency. To ensure that the highest standards are maintained in these aspects on an ongoing basis and to provide safeguards to various stakeholders, the Bank has formulated this Policy" to provide Whistleblowers with the opportunity to address serious concerns arising from actual or suspected occurrence(s) of illegal, unethical, or inappropriate action(s), behaviour (s), or practice(s) committed by any Subject (as defined herein) as per the process detailed in this Policy. It shall be the duty of every Employee, and the Bank encourages all Whistleblowers (defined hereinafter), to blow the whistle i.e. to immediately communicate any actual or suspected occurrence(s) of illegal, unethical, or inappropriate action(s), wrongdoing(s), behaviour(s), or practice(s) by a Subject without fear of retribution. In case the offences are committed by senior management, this Policy also enables the Whistleblower to report the concerns to the Audit Committee (as defined hereinafter).

## 2. Glossary of Terms

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

- a) **"Audit Committee"** shall mean the Audit Committee of the Board constituted by the Bank.
- b) **"Board"** shall mean the Board of Directors of the Bank.
- c) **"Code of Conduct and Ethics Policy"** shall mean the Code of Conduct and Ethics Policy of the Bank, as may be amended from time to time.
- d) **"Committee(s)"** shall mean collectively the Audit Committee and the Whistleblower Committee.
- e) **"Conflict of Interest Policy"** shall mean the Conflict of Interest Management Policy of the Bank, as may be amended from time to time.
- f) **"Designated Authority"** refers to the Whistleblower Committee or the Chairman of the Audit Committee of the Board.
- g) **"Director"** refers to a member of the board of directors of the Bank.
- h) **"Employee"** refers to the personnel employed by the Bank on a full time, part-time or contractual basis in India or overseas.
- i) **"Internal Complaints Committee"** shall mean the committee set up to deal with matters regarding sexual harassment in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.
- j) **"Protected Disclosure"** shall mean any communication by a Whistleblower, made in good faith, relating to any matter specified under Clause 3 of this Policy ( provided such matters is not covered under the exclusions set out under Clause 3 of this Policy).
- k) **"Subject"** refers to any Employee or Director.
- l) **"Third-Party Stakeholder"** refers to customers, shareholders, depositors, vendors, suppliers, contractors, or agencies providing goods or services to the Bank.
- m) **"Whistleblower"** refers to an Employee, Director, Third-Party Stakeholder, or any other person 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.
- n) **"Whistleblower Committee"** shall mean the Whistleblower Committee of the Bank.

## 3. Scope, Coverage and Exclusions of the Whistleblower Policy

This Policy is applicable to Protected Disclosures with respect to actual or suspected occurrence(s) of illegal, unethical, or inappropriate action(s), behaviour(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) Misuse of office and authority.
- b) Violation of internal accounting/ internal control/ operational guidelines/policies etc.)
- c) Any fraud in the preparation of financial statements of the Bank.

- d) Manipulation of data/documents.
- e) Leakage/ suspected leakage of unpublished price sensitive information in violation of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- f) Failure to comply with legal, compliance and regulatory requirements.
- g) Misappropriation of funds.
- h) Actual or suspected fraud, corruption or irregularities, including forgery or alteration of documents.
- i) Any unlawful act, whether criminal or civil, or other offences committed or likely to be committed that may implicate the Bank or adversely affect its reputation.
- j) Discrimination against a member of staff, service recipient or service provider on the grounds of sex, caste, sexual orientation, gender, creed, religion, or disability.
- k) Violations of the laid down policies, rules, regulations, communicated procedures of the Bank , including the following policies:
  - i. Code and Conduct and Ethics Policy;
  - ii. Conflict of Interest Policy;
  - iii. Insider Trading Policy;
  - iv. POSH Policy (subject to exclusions specified under this Clause below);
  - v. KYC/AML policies;
  - vi. Anti-Bribery and Anti-Corruption Policy
- l) Data breach and/or unauthorised disclosure of Bank's proprietary data including customer data.
- m) Any other form of inappropriate/unethical/unlawful action or conduct of a Subject (conduct may be considered unethical if it undermines universal core ethical values such as integrity and honesty), including if such act has a potential to cause financial or reputational loss to the Bank.
- n) Violation of central or state laws, rules, regulations, and/or any other regulatory/ judicial directives.

**Exclusions:**

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.
- 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) Complaints which are personal and are not related to the business, operations, or affairs of the Bank.
- d) Complaints of sexual harassment, if the victim under such complaints voluntarily elects in writing to refer the complaints to the Internal Complaints Committee under the POSH Policy of the Bank.

- e) Complaints which have been made by an Employee and/or a Third-Party Stakeholder and/or any other person only to Banking Ombudsman/ PNO/Regulatory desk of the Bank, MD escalation desk of the Bank, CNO team, other forums of the Service Recovery Team of the Bank (and such complaint has not been made to the Banks' Whistleblower forum/ Committee(s) by the complainant as a protected disclosure or in the capacity of a whistleblower). Complaints made to such other departments/forums may be referred to the applicable investigations department directly by the departments/channels receiving the complaint and the complaint would be dealt with as per the extant/existing process.

#### **4. Roles and Duties of the Whistleblower**

- a. A Whistleblower is a person who makes a Protected Disclosure, without acting as an investigator and cannot, therefore, require or instruct the investigation to be conducted as per the Whistleblower's own will, nor does he/she have a right to participate in any investigative activity other than to the extent that his/her cooperation is sought by the investigation officer(s).
- b. The Whistleblower is not entitled to determine/direct what type of corrective or remedial action may be warranted with respect to a Protected Disclosure.
- c. The Whistleblower should provide specific and verifiable details in the Protected Disclosure in an appropriate language that is not offensive.
- d. The Whistleblower can seek clarifications with respect to this Policy, including the Whistleblower's role and the implications of submitting the Protected Disclosure from the Ethics Department (Whistleblower@axisbank.com). The final decision to make the Protected Disclosure will, however, be solely that of the Whistleblower.
- e. Though the Whistleblower would not necessarily be required to conclusively prove the points contained in the Protected Disclosure, in order to support such disclosure, the Whistleblower should provide all available evidence (which should be specific and verifiable and relate to the business, operations or affairs of the Bank) to establish a prima facie case for investigation.

#### **5. Protection available to the Whistleblower**

- a. The identity of the Whistleblower (in case revealed by the Whistleblower) shall be kept confidential and will not be revealed other than as specified here under .
- b. Complete protection will be given to the Whistleblower against retaliation or retribution consequent upon his/her having reported a Protected Disclosure. In the event the Whistleblower experiences any such incidents, the Whistleblower should immediately report the same to the Ethics Department.
- c. Any employee raising a concern under the Policy in good faith, believing it to be substantially true, is assured of the protection.

- d. The Bank will take steps to minimize difficulties that a Whistleblower may face in the submission of a Protected Disclosure. For instance, the Whistleblower will be reimbursed for the expenses incurred in travel, boarding, and lodging for tendering evidence, if warranted, as per applicable internal policies.
- e. In case any action has been initiated against the Whistleblower (for acts of omission or commission attributed to the Whistleblower), the disciplinary authority in such cases should comprise of Officers of grade not lower than President.
- f. Any person who assists in investigating a Protected Disclosure and/or assists in disciplinary/ whistleblower proceedings relating to the Protected Disclosure will also be protected to the same extent as the Whistleblower.
- g. In case the protection to the Whistleblower as well as persons assisting in the investigation (and/or assisting in the disciplinary/ whistleblower proceedings is violated in any manner, the same may be reported to the Committee(s), as provided herein.

The protections available under this Policy will not be extended to the following circumstances:

- i. If the Whistleblower has raised a complaint/protected disclosure to a forum other than the Committee(s) and has revealed his/her identity.
- ii. If the protection is sought from departmental actions arising out of false or bogus disclosure made with mala fide intention or complaints made to settle personal grievance;
- iii. If the disclosures made by the Whistleblowers are subsequently found to be mala fide or frivolous or malicious intentions. Such Whistleblowers shall be liable to be prosecuted and appropriate disciplinary action will be taken against them under the applicable Bank's policies, when it is established that the Protected Disclosure has been made with intention of malice;
- iv. If any adverse action has been taken against the Whistleblower which is independent of his/her disclosure under this Policy or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this Policy.
- v. The identity of the Whistleblower will not be protected and may be revealed in the following scenarios (i) as required in terms of any law or regulation or orders of any courts or tribunals; (ii) to the investigation officers and the team carrying out the investigation into the Protected Disclosure;(iii) to members of the Committee(s); (iv) to the officials assisting the Committee(s); (v) to the officials of the Ethics Department; (vi) as permitted/required by the Whistleblower; (vii) to the ' Subject' if the allegations are of a personal nature and the Subject is required to know the identity of the Whistleblower for co-operating in the investigation as per assessment of the applicable investigation department(s); (viii) if the identity has been disclosed in the public domain by the Whistleblower, or by any other person other than as a breach of this Policy.

- vi. Any employee who is found to be involved in misuse or malicious use of the Policy, or making of false allegations or seeking personal advantage would not get protection under the policy and would face strict disciplinary action.
- vii. A Whistleblower will not get protection under this Policy if the Whistleblower is also found guilty of any misconduct (with respect to the Protected Disclosure or otherwise). It is clarified that, while the Committee(s) will take cognizance of the Protected Disclosure, the Whistleblower's misconduct will be dealt with separately and is liable for disciplinary action, if such misconduct is proven.

## **6. Protected Disclosures received from Anonymous Whistleblower(s)**

The Bank encourages Whistleblower(s) to disclose their identity while making the Protected Disclosure under the Policy. However, if the Whistleblower wishes to keep the identity anonymous, such Protected Disclosure may be investigated by the Bank only if the Committee is satisfied that such anonymous Protected Disclosure contains specific and verifiable information along with evidence (to the extent available with the Whistleblower) to establish a prima facie case for investigation. However, it is clarified that until the Committee is satisfied that such anonymous Protected Disclosure contains specific and verifiable information, the Bank/ Committee is not bound to take any specific steps/actions or conduct investigation(s) in relation to such Protected Disclosure. Neither the Bank nor the Committee(s) bear any liability or responsibility in this regard.

If in the opinion of the Bank, the information provided by the anonymous Whistleblower is insufficient, the Bank will attempt to reach out to the anonymous Whistleblower (if possible) to obtain additional information to enable the conduct of an investigation.

Where such Protected Disclosures are not investigated due to a lack of specific and verifiable information, these shall, in any event, be kept on file and in the records. If at any subsequent stage the Whistleblower comes forward with identifying the Whistleblower or provides sufficient proof to the satisfaction of the Committee, the Bank shall consider the same afresh.

With respect to anonymous Protected Disclosures, the Bank (including the investigating departments and the Whistleblower/ Disciplinary departments) may request the Whistleblower to disclose his/her identity, if allegations in the Protected Disclosure are of a personal nature and the identity is required for the purposes of conducting the investigation into such allegations. For example, Bank may request the Whistleblower to disclose his/her identity, including if the allegations related to the following:-

- a) PMS rating of the Whistleblower;
- b) discrimination or other behavioural harassment suffered by the Whistleblower;
- c) unethical/illegal/wrongful transactions where the Whistleblower may also be involved / is a party to the transaction and such details are required for the investigation.

## 7. Whistleblower Committee

The Whistleblower Committee will comprise of members from the pool of members approved by the Audit Committee of the Board. The composition, constitution, quorum, meetings, and other matters relating to the Whistleblower Committee shall be in accordance with the framework approved by Vertical Head for Ethics Department (in the Rank of GE and above).

## 8. Role of the Whistleblower Committee

- a) The Whistleblower Committee will consider the credibility of the Protected Disclosure, the gravity of the issue raised and the likelihood of proving the allegation(s) from independent, verifiable sources.
- b) The Whistleblower Committee shall have the discretion to appoint any official(s) of the Bank/ external expert/agency to carry out any investigation as it may feel necessary.
- c) The Whistleblower Committee, may in its sole discretion, refer back an investigation report(s) (IVR) to the investigation unit for further re-examination if the Committee members are of the view that the findings with regard to the allegations made in the Protected Disclosure are not adequately addressed. Further, the Whistleblower Committee may also require a fresh investigation to be conducted or expand the scope of the existing investigation, if the Whistleblower Committee is of the view that such actions are warranted.
- d) Any member of the Whistleblower Committee who has a conflict of interest shall promptly disclose the same to the other members and recuse himself/herself from the matter. If any such conflict of interest is discovered (whether or not disclosed) the concerned member of the Whistleblower Committee shall be removed.

## 9. Procedure for Reporting Protected Disclosures

- a) All Protected Disclosures reported against officials in the ranks of President and below should be addressed to the Whistleblower Committee, which may be reported through the following channels:
  - i. By post to  
*The Whistleblower Committee  
Axis Bank Limited  
2nd Floor  
Axis House  
C2 Wadia International Centre  
Pandurang Budhkar Marg  
Mumbai 400025*



ii. Web-based portal - <https://whistleblower.axisbank.co.in>

iii. Email to the Whistleblower Committee at [whistleblower@axisbank.com](mailto:whistleblower@axisbank.com)..

All communications to the Whistleblower Committee should carry the caption "Protected Disclosure under the Whistleblower Policy" in the subject field.

The envelope/email containing the Protected Disclosure should be marked "Confidential".

b) Protected Disclosures against the members of the Whistleblower Committee, Directors, and employees in the rank of Executive Directors ("EDs")/ Group Executives ("GEs"), Board members and above, including Dy Managing Director /Managing Director & Chief Executive Officer ("MD & CEO") :-

- i. By email to the Chairman of the Audit Committee of the Board at [wacb@axisbank.com](mailto:wacb@axisbank.com). The email should have as the subject line "Protected Disclosure under the Whistleblower Policy";
- ii. By post with the subject line "Protected Disclosure under the Whistleblower Policy" in the subject field/ cover of the envelope addressed to:

*The Chairman, Audit Committee of the Board  
Axis Bank Limited  
Axis House  
C2 Wadia International Centre  
Pandurang Budhkar Marg  
Mumbai 400025*

The envelope/email containing the Protected Disclosure should be marked "Confidential".

- c) Any member of the Audit Committee who has a conflict of interest, shall promptly disclose the same to the other members and recuse himself/herself from the matter. If any such conflict of interest is discovered (whether or not disclosed) the concerned member of the Whistleblower Committee shall be removed.
- d) Protected Disclosures should preferably be reported using electronic channels and if submitted in hard copy, should either be typed or written in legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistleblower.
- e) Without prejudice to Clause [9 (d)] above, the Protected Disclosure should be forwarded under a covering letter (or as an attachment to the email message) such that only the covering letter/email message bears the identity of the Whistleblower. The Whistleblower should, preferably, not disclose personal details in the Protected Disclosure that may identify the Whistleblower.



- f) In case the Whistleblower has a personal interest in the matter, it should be disclosed at the outset in the forwarding letter/email message.
- g) Copies of documents that will help in establishing the veracity of the Protected Disclosure should be attached to the Protected Disclosure. Please also note that Bank requires specific and verifiable information along with evidence (to the extent available with the Whistleblower) to establish a prima facie case for investigation in case of anonymous Protected Disclosures.
- h) The Designated Authority shall detach the covering letter/email message and forward only the Protected Disclosure to the Investigators for investigation.
- i) An acknowledgement of receipt of the Protected Disclosure will be sent to the Whistleblower through the prescribed electronic channels and, in case of handwritten Protected Disclosures, if the complete address is provided within a reasonable time.

## **10. Investigation and Redressal of the Protected Disclosure**

- a) The Protected Disclosure received by the Ethics Department will be examined to determine if a prima facie case exists for inquiry. The same would be forwarded for investigation to the concerned investigations department.
- b) However, the decision to conduct an investigation is by itself not an acceptance of the allegations. In other words, the investigation process is to be treated as a neutral fact-finding process.
- c) Stringent disciplinary or other action may be initiated against Whistleblowers making/facilitating frivolous complaints/ Protected Disclosures.
- d) The Subject(s) shall have a duty to co-operate with the Committee or the investigation authority /any of the investigation officers during investigation.
- e) Once the investigation is completed and an appropriate action has been taken by the Committee, the Whistleblower will be informed about the closure, as maybe authorized by the Committee.
- f) If it is deemed necessary by the investigation authority, that it is necessary to verify the contents of the Protected Disclosure, the investigation authority may contact the Whistle Blower at the address/ phone number/ e-mail ID given in the Protected Disclosure for the purpose of investigation (wherein the details have been revealed by the Whistleblower).
- g) If the Whistleblower is dissatisfied with the disposal of the Protected Disclosure, the Whistleblower may approach the MD & CEO (if the matter has been handled by the Audit Committee) or the Chairman of the Audit Committee(if the matter has been handled by the Whistleblower Committee) for review.
- h) However, the Committee/MD & CEO, as the case maybe, will not be liable to disclose to the Whistleblower the outcome of the investigation and action taken in this regard. Further, any requests by the Whistleblower on the status of the Protected Disclosure/outcome of the investigation/ action taken etc. will not be entertained.

### **11. Outcome of Investigations into Allegations under a Whistleblower Policy**

If the investigation report reveals that an illegal, unethical, or inappropriate action(s), behaviour (s), or practice(s) has been committed, the Protected Disclosure along with the Investigation report shall be (a) referred for disciplinary procedure/ action against the erring Subject(s) in accordance with the Code of Conduct and Ethics Policy of the Bank; (b) in respect of behavioural issues/ HR related matters, the Designated Authority can direct corrective action by HR such as: counselling, transfer, role change, etc. against the erring Subject(s) as deemed fit by the Designated Authority basis the investigation report; or (c) any other actions as deemed fit basis the investigation report. It is clarified that any disciplinary or corrective action initiated against the Subject(s) as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable disciplinary procedures of the Bank enumerated in the Bank's Code of Conduct and Ethics Policy.

### **12. Reporting to the Audit Committee**

A quarterly report on the findings under this Policy shall be submitted to the Audit Committee for information. The Ethics Department shall be the convenor of the Whistleblower Committee and will monitor and submit quarterly reports to the Audit Committee .

### **13. Display and Notification**

The Policy shall be displayed on the Bank's website. The same is available under Code of Commitment. Further, this Policy is also available on Internal Employee Communication Platform (as a part of annual declarations under the Code of Conduct).

### **14. Retention of Documents**

- a) All Protected Disclosures, along with other documents relating thereto shall be retained by the Bank for a minimum of Ten years or as maybe required under the Bank's internal policies/ applicable laws and guidelines.
- b) The investigation report of each investigation duly approved/ reviewed by the Competent Authority / by the concerned Investigation Officers shall be retained for the same period as set out in Clause 14.a) for future requirement of either the Bank or the external authority.

### **15. Administration of the Whistleblower Policy**

Ethics Department is responsible for the administration, revision, interpretation, and applicability of this Policy. This Policy shall be reviewed , on an annual basis and will be revised in case required.

Version	Review Date	Policy Owner	Authored by	Reviewed/ Proposed by	Approved by	Change description
2023. 01	14.09.2023	Head Ethics	Head Ethics	Head Ethics	Chief Ethics Officer	Revised Version

## Annexure- 1

**RBI circular no [RBI/2006-2007/328: DO DBS .FrMC No. BC 5 /23.02.011 /2006-07**

### Annex Protected Disclosures Scheme for Private Sector and Foreign Banks

#### 1. Introduction

1.1 Disclosure of information in the public interest by the employees of an organisation is increasingly gaining acceptance by public bodies for ensuring better governance standards and probity / transparency in the conduct of affairs of public institutions. Large scale corporate frauds had necessitated, internationally, various legislative measures for safeguarding public interest, through enactments such as Whistleblower Protection Act in USA and Public Interest Disclosure Act in UK. In the Indian context, the Government of India had passed a resolution on April 21, 2004 authorizing the Central Vigilance Commission (CVC) as the 'Designated Agency' to receive written complaints or disclosure on any allegation of corruption or of misuse of office and recommend appropriate action. The jurisdiction of the CVC in this regard is restricted to employees of the Central Government or of any corporation established by it or under any Central Act, Government companies, societies or local authorities owned or controlled by the Central Government.

1.2 As a proactive measure for strengthening financial stability and with a view to enhancing public confidence in the robustness of the financial sector, RBI has formulated a scheme called "Protected Disclosures Scheme for Private Sector and Foreign Banks". The salient features of the Scheme are as under:

#### 2. Scope and Coverage

2.1 As Public Sector Banks and Reserve Bank of India (since it is an entity established under Central Statute) have already been brought under the purview of Government of India scheme, with a view to avoid duplication, this Scheme would cover all private sector and foreign banks operating in India.

2.2 The complaints under the Scheme 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, etc. and acts resulting in financial loss / operational risk, loss of reputation, etc. detrimental to depositors' interest / public interest.

2.3 Under the Scheme, employees of the bank concerned (private sector and foreign banks operating in India), customers, stake holders, NGOs and members of public can lodge complaints.

2.4 Anonymous / pseudonymous complaints will not be covered under the Scheme and such complaints will not be entertained.

2.5 Reserve Bank of India (RBI) will be the Nodal Agency to receive complaints under the Scheme. RBI would keep the identity of the complainant secret, except in cases where complaint turns out to be vexatious or frivolous and action has to be initiated against the complainant as mentioned at para 2.6 below.

2.6 The institution against which complaint has been made can take action against complainants in cases where motivated / vexatious complaints are made under the Scheme, after being advised by RBI. An opportunity of hearing will, however, be given by the concerned bank to the complainant before taking such action.

2.7 Final action taken by RBI on the complaint will be intimated to the complainant.

### **3. Procedure for lodging the complaint under the Scheme**

3.1 The complaint should be sent in a closed / secured envelope.

3.2 The envelope should be addressed to The Chief General Manager, Reserve Bank of India, Department of Banking Supervision, Fraud Monitoring Cell, Third Floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai 400 005. The envelope should be superscribed "Complaint under Protected Disclosures Scheme for Banks".

3.3 The complainant should give his / her name and address in the beginning or end of the complaint or in an attached letter. In case of an employee making such complaint, details such as name, designation, department, institution and place of posting etc. should be furnished.

3.4 Complaints can be made through e-mail also giving full details as specified above. For this purpose, a specific e-mail id has been created.

3.5 The complainant should ensure that the issue raised by him involves dishonest intention/moral angle. He should study all the relevant facts and understand their significance. He should also make an effort, if possible, to resolve the issue through internal channels in order to avoid making the complaint.

3.6 The text of the complaint should be carefully drafted so as not to give any details or clue to complainant's identity. The details of the complaint should be specific and verifiable.

3.7 In order to protect the identity of the complainant, RBI will not issue any acknowledgement of receipt of the complaint and the complainants are advised not to enter into any further correspondence with the RBI in their own interest. RBI assures that, subject to the facts of the case being verifiable, it would take necessary action, as provided under the scheme. If any further clarification is required, RBI will get in touch with the complainant.

3.8 If the complaint is accompanied by particulars of the person making the complaint, the

RBI shall take the following steps :

a) If necessary, it would ascertain from the complainant whether he was the person who made the complaint or not.

b) The identity of the complainant will not be revealed unless the complainant himself has made the details of the complaint either public or disclosed his identity to any other authority.

c) If the identity of the complainant is concealed, RBI shall make discreet inquiries to ascertain if there is any basis for proceeding further with the complaint.

d) Either as a result of the discreet enquiry, or on the basis of complaint itself without any inquiry, if RBI is of the opinion that the matter requires to be investigated further, RBI may consider calling for the comments / response from the Chairman / Chief Executive Officer of the concerned bank.

e) After obtaining the response of the concerned bank and / or on the basis of an independent scrutiny conducted / ordered by RBI, if RBI is of the opinion that the allegations are substantiated, the RBI shall recommend appropriate action to the concerned bank. These shall, inter alia, include the following :

- Appropriate action to be initiated against the concerned official.
- Appropriate administrative steps for recovery of the loss caused to the bank as a result of the corrupt act or mis-use of office, or any other offence covered by the Scheme.
- Recommend to the appropriate authority / agency for initiation of criminal proceedings, if warranted by the facts and circumstances of the cases.
- Recommend taking corrective measures to prevent recurrence of such events in future.
- Consider initiating any other action that it deems fit keeping in view the facts of the case.

3.9 If any person is aggrieved by any action on the ground that he is victimized due to filing of the complaint or disclosure, he may file an application before the RBI seeking redressal in the matter. RBI shall take such action, as deemed fit. In case the complainant is an employee of the bank, RBI may give suitable directions to the concerned bank, preventing initiation of any adverse personnel action against the complainant.

3.10 Either on the basis of application of the complainant or on the basis of information gathered, if the RBI is of the opinion that either the complainant or the witnesses in the case need protection, the RBI shall issue appropriate directions to the concerned bank.

3.11 The system evolved herein shall be in addition to the existing grievances redressal mechanism in place. However, secrecy of identity shall be observed, only if the complaint is received under the scheme.

3.12 In case RBI finds that the complaint is motivated or vexatious, RBI shall be at liberty to take appropriate steps.

3.13 In the event of the identity of the informant being disclosed inspite of RBI's directions to the contrary, the RBI shall be authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. RBI may also direct such person or agency to suitably compensate the complainant.

#### **4. Framing of protected disclosure policy by banks**

All private sector and foreign banks operating in India may frame a 'Protected Disclosures Scheme' duly approved by their respective Boards of Directors, keeping in view the broad framework given above. The policy should clearly lay down norms for protection of identity of employees making disclosures under the scheme and safeguarding them from any adverse personnel action. The role and responsibilities of the Board of Directors may also be well defined in dealing with the complaints received under the scheme. The Board, or a committee of Directors of the Board may be made responsible for monitoring the implementation of the scheme. Banks may factor suggestions of the unions / associations of officers / employees before framing such a policy. Suitable mechanism should be put in place to make newly recruited employees of the bank aware of the existence of such a scheme in the bank.