



AXIS CAPITAL MARKETS (INDIA) LIMITED

WHISTLE BLOWER POLICY

Date of Issue: 30th May, 2014

I. PREFACE

The Company has adopted the Code of Conduct or Ethics Policy, which lays down the principles and standards that should govern the actions of the Company and its Employees. Any violation of the Code, howsoever insignificant, would be a matter of serious concern for the Company. This Whistleblower Policy (“the Policy”) has been formulated with a view to provide a mechanism for employees of the Company to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

The policy has been framed pursuant to clause 49 (II) (F) of the listing agreement and pursuant to section 177 (10) of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014.

II. OBJECTIVE

The Company is committed to adhere to the highest standards of ethical, legal and moral conduct of business operations. In order to maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. This policy is an important tool for employees to raise concerns of any violations of legal, regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

III. POLICY

This policy intends to cover serious concerns that could impact on the operations/performance of the Company. Further this policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.

IV. DEFINITIONS

1. **“Disciplinary Action”** means any action that can be taken on the completion of /during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.
2. **“Employee”** means every employee of the Company
3. **“Protected Disclosure”** means a concern raised through a written communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity. Protected Disclosures should be factual and not speculative in nature.

4. **“Subject”** means a person or group of persons against or in relation to whom Protected Disclosure is made or evidence gathered during the course of an investigation under this Policy.
5. **“Whistleblower”** is someone who makes a Protected Disclosure under this Policy.
6. **“Whistle Officer”** or **“Whistle Committee”** means an officer or Committee of persons who is/are nominated/ appointed to conduct detailed investigation of the disclosure received from the Whistleblower and recommend disciplinary action.
7. **“Company”** means, “AXIS CAPITAL MARKETS (INDIA) LIMITED.”
8. **“Good Faith”**: An employee 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 employee does not have personal knowledge on a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.
9. **“Policy or This Policy”** means, “Whistleblower Policy.”

V. SCOPE

Various stakeholders of the Company are eligible to make Protected Disclosures under the Policy. The following will be the broad categories of the Stakeholders:

1. Employees of the Company, whether working from any of the Company’s offices or any other location
2. Any other person having an association with the Company

A person belonging to any of the above mentioned categories can avail of the channel provided by this Policy for raising an issue covered under this Policy.

VI. COVERAGE OF POLICY

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

1. Abuse of authority
2. Breach of contract
3. Manipulation of company data/records

4. Financial irregularities, including fraud or suspected fraud or Deficiencies in Internal Control and check or deliberate error in preparations of Financial Statements or Misrepresentation of financial reports.
5. Any unlawful act whether Criminal/ Civil.
6. Pilferation of confidential/propriety information.
7. Deliberate violation of law/regulation.
8. Wastage/misappropriation of company funds/assets.
9. Breach of Company Policy or failure to implement or comply with any approved Company Policy.
10. Any other unethical, biased, favoured, imprudent event.

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

VII. GUIDING PRINCIPLES

To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:

1. Treat victimization as a serious matter, including initiating disciplinary action on such person/(s)
2. Ensure that the Whistleblower and/or the person processing the Protected Disclosure is not victimized for doing so
3. Ensure complete confidentiality
4. Not to attempt to conceal evidence of the Protected Disclosure
5. Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made
6. Provide an opportunity of being heard to the persons involved especially to the Subject

VIII. ANONYMOUS ALLEGATION

Whistleblowers must put their names to allegations 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.**

IX. PROTECTION TO WHISTLEBLOWER

1. If one raises a concern under this Policy, he/she will not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. Company's employee will not be at the risk of losing her/ his job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy. The protection is available provided that:
 - a. The communication/ disclosure is made in good faith
 - b. He/She reasonably believes that information, and any allegations contained in it, are substantially true; and
 - c. He/She is not acting for any personal gain.
 - d. Anyone who abuses the procedure by maliciously raising a concern knowing it to be untrue, will be subject to disciplinary action, as will anyone who victimizes a colleague by raising a concern through this procedure. If considered appropriate or necessary, suitable legal actions may also be taken against such individuals.

However, no action will be taken against anyone who makes an allegation in good faith, reasonably believing it to be true, even if the allegation is not subsequently confirmed by the investigation.

2. The Company will not tolerate the harassment or victimization of anyone raising a genuine concern. As a matter of general deterrence, the Company shall publicly inform employees of the penalty imposed and discipline of any person for misconduct arising from retaliation. Any investigation into allegations of potential misconduct will not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.

Any other Employee/business associate assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

X. ACCOUNTABILITIES – WHISTLEBLOWERS

- a) Bring to early attention of the Company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern. Delay in reporting may lead to loss of evidence and also financial loss for the Company.
- b) Avoid anonymity when raising a concern
- c) Follow the procedures prescribed in this policy for making a Disclosure
- d) Co-operate with investigating authorities, maintaining full confidentiality

- e) The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty Disclosures. Malicious allegations by employees may attract disciplinary action
- f) A whistleblower has the right to protection from retaliation. But this does not extend to immunity for involvement in the matters that are the subject of the allegations and investigation
- g) Maintain confidentiality of the subject matter of the Disclosure and the identity of the persons involved in the alleged Malpractice. It may forewarn the Subject and important evidence is likely to be destroyed
- h) In exceptional cases, where the whistleblower is not satisfied with the outcome of the investigation carried out by the Whistle Officer or the Committee, he/she can make a direct appeal to the Whole Time Director of the Company

XI. ACCOUNTABILITIES – WHISTLE OFFICER AND WHISTLE COMMITTEE

- a) Conduct the enquiry in a fair, unbiased manner
- b) Ensure complete fact-finding
- c) Maintain strict confidentiality
- d) Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom
- e) Recommend an appropriate course of action - suggested disciplinary action, including dismissal, and preventive measures
- f) Minute Committee deliberations and document the final report

XII. RIGHTS OF A SUBJECT

- a) Subjects have right to be heard and the Whistle Officer or the Committee must give adequate time and opportunity for the subject to communicate his/her say on the matter
- b) Subjects have the right to be informed of the outcome of the investigation and shall be so informed in writing by the Company after the completion of the inquiry/ investigation process

XIII. MANAGEMENT ACTION ON FALSE DISCLOSURES

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct 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 defense by an employee against whom an adverse

personnel action has been taken independent of any disclosure of intimation by him and for legitimate reasons or cause under Company rules and policies.

XIII. PROCEDURE FOR REPORTING & DEALING WITH DISCLOSURES

A Disclosure should be made in writing. Letters can be submitted by hand-delivery, courier or by post addressed to the Whistle Officer appointed by the Company. Emails can be sent to the email id: dipanmehta@vsnl.com or to the email id of the Whistle Officer provided on the intranet/internet.

- A) While there is no specific format for submitting a Disclosure, the following details must be mentioned:
 - (a) Name, address and contact details of the Whistleblower
 - (b) Brief description of the malpractice, giving the names of those alleged to have committed or about to commit a malpractice. Specific details such as time and place of occurrence are also important.
 - (c) In case of letters, the disclosure should be sealed in an envelope marked “Whistle Blower” and addressed to the Whistle Officer.
- B) The Whistle Officer shall acknowledge receipt of the Disclosure as soon as practical (preferably within 07 days of receipt of a Disclosure), where the Whistleblower has provided his/her contact details.
- C) The Whistle Officer will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the Disclosure constitute a Malpractice by discussing with the Executive Directors
- D) If the Whistle Officer determines that the allegations do not constitute a Malpractice, he/she will record this finding with reasons and communicate the same to the Whistleblower
- E) If the Whistle Officer determines that the allegations constitute a Malpractice, he/she will proceed to investigate the Disclosure with the assistance of the Whistle Committee comprising of Senior Level Officers, Internal Audit and a representative of the Division/ Department where the breach has occurred, as he/she deems necessary. If the alleged Malpractice is required by law to be dealt with under any other mechanism, the Whistle Officer shall refer the Disclosure to the appropriate authority under such mandated mechanism and seek a report on the findings from such authority.
- (F) Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- (G) The investigation may involve study of documents and interviews with various individuals. Any person required to provide documents, access to systems and other information by the Whistle Officer or Whistle Committee for the purpose of such



investigation shall do so. Individuals with whom the Whistle Officer or Whistle Committee requests an interview for the purposes of such investigation shall make themselves available for such interview at reasonable times and shall provide the necessary cooperation for such purpose.

- (H) If the Malpractice constitutes a criminal offence, the Whistle Officer will bring it to the notice of the Executive Directors and take appropriate action including reporting the matter to the police.
- (I) The Executive Directors of the Company may, at their discretion, participate in the investigations of any Disclosure.
- (J) The Whistle Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations to the Whistle Officer as soon as practically possible and in any case, not later than 90 days from the date of receipt of the Disclosure. The Whistle Officer may allow additional time for submission of the report based on the circumstances of the case.
- (K) Whilst it may be difficult for the Whistle Officer to keep the Whistleblower regularly updated on the progress of the investigations, he/she will keep the Whistleblower informed of the result of the investigations and its recommendations subject to any obligations of confidentiality.
- (L) The Whistle Officer will ensure action on the recommendations of the Whistle Committee/ Officer and keep the Whistleblower informed of the same. Though no timeframe is being specified for such action, the Company will endeavor to act as quickly as possible in cases of proved Malpractice.

Any retaliatory action or threats of retaliatory action as a result of making a Disclosure

If you face any retaliatory action or threats of retaliatory action as a result of making a Disclosure, please inform the Whistle Officer in writing immediately. He/She will treat reports of such actions or threats as a separate Disclosure and investigate the same accordingly and may also recommend appropriate steps to protect you from exposure to such retaliatory action and ensure implementation of such steps for your protection.

XIV. ACCESS TO REPORTS AND DOCUMENTS

All reports and records associated with “Disclosures” are considered confidential information and access will be restricted to the Whistleblower, the Whistle Committee and Whistle Officer. “Disclosures” and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at that time.

XV. RETENTION OF DOCUMENTS

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of 07 years.

XVI. REPORTS

A quarterly status report on the total number of complaints received during the period, with summary of the findings of the Whistle Committee and the corrective actions taken will be sent to the Whole Time Director of the Company.

XVII. COMPANY'S POWERS

The Company is entitled to amend, suspend or rescind this policy at any time. Whilst, the Company has made best efforts to define detailed procedures for implementation of this policy, there may be occasions when certain matters are not addressed or there may be ambiguity in the procedures. Such difficulties or ambiguities will be resolved in line with the broad intent of the policy. The Company may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.