



# Whistle Blower Policy

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## Whistle-Blower Policy

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### 1. Policy Objective

- a. HDFC Capital Advisors Limited (hereinafter referred to as “**Company**”) is committed to ensuring that all its Employees (as defined herein below) work in a conducive environment and are given a Platform (as defined herein below) i.e., this whistle blower policy (“**Policy**”), to freely express their concerns to make or report any Protected Disclosures (as defined herein below) under the Policy, without any fear of reprisal, retaliation, discrimination, or harassment of any kind. This Platform is also available to other Stakeholders (as defined herein below).
- b. The purpose of this Policy is to provide a framework to promote a culture of responsible and secure whistle blowing, wherein the stakeholders can raise/report any suspected or actual instances of improper behaviour. This Policy has been constituted pursuant to the provisions of applicable law including *inter alia* the Companies Act, 2013 and ensures that the Whistle Blower is provided with adequate safeguards against victimization.
- c. In this context, the Company encourages and supports its Employees and Stakeholders making disclosures of any such suspected instances of violation of the Policy and/or unethical/improper behaviour and intends to provide for a mechanism to channelize reporting of such instances/complaints to ensure proper governance and that such Employee/ Stakeholder is not subjected to any victimization by any personnel of the Company.
- d. The Company mandates all its Employees to work with integrity, ethics, and responsibility.
- e. The Company assures appropriate action for any concern reported by an Employee or the Stakeholders through the whistle blowing mechanism.
- f. The Company assures adequate safeguard against victimization of Employees/the Stakeholders who use this mechanism to express their concerns.
- g. This Policy neither releases the Employees/Stakeholders from their confidential obligations in their course of work/engagement with the Company nor serves as a route to raise allegations with malicious or baseless intentions.

### 2. Scope and Coverage of the Policy

- a. This Policy would cover and will be applicable to the Protected Disclosures related to violation/suspected violation of the Company’s Code of Conduct. An illustrative list of issues in relation to which a complaint can be made is set out herein below:
  - (i) Any fraudulent activities carried out in any office/branches.
  - (ii) Indulgence in unethical practices like:
    - Misrepresentation of facts or falsification of records of the Company;
    - Misuse of Company assets/funds (e.g.: forged bills, personal use of company assets etc.);
    - Pilferage of confidential information to advance personal interests;
    - Bribery or participation in corrupt activities;
    - Dangerous practice(s) likely to cause physical harm/damage to any person/property;
    - Breach of Company policies;
    - Misusing/taking advantages of functional procedural lapse including misrepresentation of the facts;

- Illegal or unethical conduct which adversely affects investors, shareholders, other employees, or the business performance or image or reputation of the Company;
- Abuse of power or authority for any unauthorized or ulterior purpose;
- Violation of any law or regulation;
- Abuse of power and authority by any official of the Company or any other act with an intention of unethical personal gain;
- Conflict of interest with the Company; and
- Leaking of confidential or proprietary information of the Company.

(iii) Any grievances arising out of 2(a) (i) and (ii), above.

- b. Any Employee and/or Stakeholder, knowingly withholding information in any form regarding any unethical practices/activities in one's workplace will also constitute improper behaviour on the Employee's/or the Stakeholder's part.
- c. The Policy will not cover the following types of complaints which if made, will not be considered as an issue or complaint under this Policy:
- (i) complaints that are vague or incoherent;
  - (ii) anonymous complaints unless otherwise determined by the Committee;
  - (iii) matters which are pending before a court of law, tribunal, other quasi- judicial bodies, or any governmental authority; and
  - (iv) matters relating to a personal grievance including concerning appraisals, compensation, promotions, ratings etc.
- d. This Policy is an internal policy for disclosing improper conduct. Reporting under this Policy is critical for early detection, proper investigation and remediation and deterrence of violations of Company policies or applicable laws and regulations. The Policy will be administered by the Committee, along with the Stakeholders and Employees identified herein.

### 3. Definitions

- a. **Accused/Offending Employee** means an Employee against whom a complaint has been lodged under this Policy;
- b. **Board** means board of directors of the Company;
- c. **CEO** means Chief Executive Officer of the Company;
- d. **Code of Conduct** means the current code of conduct of the Company and as may be amended, modified, re-stated or substituted from time to time;
- e. **Company** means HDFC Capital Advisors Limited;
- f. **Committee** means the Audit Committee constituted by the Board in accordance with Section 177 of the Companies Act, 2013;
- g. **Competent Authority** means the director and/or CEO of the Company and will include any person(s) to whom he/she may delegate any of his/her powers as the Competent Authority under this Policy from time to time;

- h. **Chairperson** means the Chairperson of the Audit Committee;
- i. **Employee** means all the employees of the Company, whether on probation or confirmed, and shall include the CEO;
- j. **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 Activities 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 Activities or alleged wrongful conduct is malicious, false, or frivolous;
- k. **Improper Activity** means any activity that is in violation of any law or the rules of conduct, including but not limited to infringement of Company's policies, abuse of authority, breach of contract, manipulation of Company data, pilferage of confidential/proprietary information, criminal offence, corruption, bribery, theft, conversion or misuse of the Company's property, misappropriation of monies, fraudulent claim, actual or suspected fraud or willful omission to perform the duty, or that is economically wasteful or involving gross misconduct, incompetence or gross inefficiency, substantial and specific danger to public health and safety or abuse of authority and any other unethical biased favoured or imprudent act including *inter alia* sexual harassment of women in work-place. Activities which have no nexus to the working of the Company and are purely of personal nature are specifically excluded from the definition of Improper Activity;
- l. **Investigators** shall mean and refer to those persons (including any department personnel, Employees, officers, external consultants, or counsel) as may be authorized, appointed, consulted, or approached by the chairman of the Committee or the Board in connection with conducting investigation into a Protected Disclosure;
- m. **Platform** means this Policy;
- n. **Policy** means the whistle blower policy formulated and adopted by the Company together with all the schedules and annexures hereto, as may be amended, modified, re-stated, or substituted from time to time;
- o. **Protected Disclosure(s)** shall mean the communication made in Good Faith that discloses or demonstrates information that may evidence unethical or "Improper Activity", including but not limited to matters specified in Paragraph 2(a) and (b) above in accordance with this Policy and which does not fall within any of the categories mentioned in Paragraph 2(c) above;
- p. **Subject** means any person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation;
- q. **Stakeholders** includes vendors, consultants, etc. who have an association with the Company; and
- r. **Whistle Blower/Complainant** means an Employee and/or Stakeholder who expresses a concern or makes a Protected Disclosure or lodges a complaint under this Policy.

#### **4. Eligibility**

The Employees of the Company and various Stakeholders of the Company are eligible to make Protected Disclosures under the Policy.

#### **5. Whistle Blower – Role & Disqualifications**

##### **a. Role**

- (i) The Whistle Blower's role is that of a reporting party with reliable information.
- (ii) The Whistle Blower is not required or expected to conduct any investigations on his/her own or otherwise act as an investigator or a finder of facts.
- (iii) The Whistle Blower to ensure that the Protected Disclosure does not contain any baseless allegations, speculative matters.
- (iv) Whistle Blowers should not misuse this Policy as a defense or a mechanism to mislead the Company against a legitimate action initiated.
- (v) This Policy is not to be used for reporting any routine/administrative matters.
- (vi) Protected Disclosure will be appropriately dealt with by the CEO and/or the Chairperson, as the case may be.
- (vii) The Whistle Blower shall have a right to be informed of the disposition of his disclosure except for overriding legal or other reasons on his written request.

##### **b. Access to the Chairperson**

The Whistle Blower shall also have access to the Chairperson directly in exceptional cases such as where the compliant/Protected Disclosure has been received against and/or with respect to person designated as Competent Authority or the CEO himself etc. In such scenarios, the Chairperson is authorized to prescribe such directions, as he/she may deem suitable in this regard.

##### **c. Disqualifications**

- (i) Genuine Whistle Blowers will be accorded protection from any kind of unfair treatment/victimization. However, any abuse of this protection will warrant disciplinary action against him/her. Incidents of retaliation against the Whistle Blower or person investigating the matter or assisting in the investigation would be taken seriously by the Company and will result in appropriate disciplinary action against the person who committed the act of retaliation.
- (ii) Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be motivated or malafide or malicious or frivolous, baseless, or reported otherwise than in Good Faith, will be liable for disciplinary action as per the applicable policies of the Company.
- (iii) Whistle Blowers, who make 3 or more Protected Disclosures, which have been subsequently found to be malafide, frivolous, baseless, malicious, or reported otherwise than in Good Faith, will be disqualified from reporting further Protected Disclosure under

this Policy. In respect of such Whistle Blowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

## 6. Reporting Mechanism

- a. All Protected Disclosures/complaints should be made in writing and sent through appropriate channels as identified in this Policy. The Protected Disclosure is required to contain adequate details on the events to which the disclosure pertains. To the extent possible, the said disclosure should contain specific and reliable information and proper evidence to allow for proper assessment of the nature and extent of the concern. An investigation of unspecified wrongdoing or broad allegations would not be undertaken.
- b. The Protected Disclosure/complaint should be attached to a letter bearing the identity of the Whistle Blower/ complainant i.e., his/her Name, Employee Number, Contact Number and Location, and should be submitted in a **closed / secured / sealed envelope** addressed to the CEO which should be **super scribed “Protected Disclosure”**. (If the envelope is not super scribed and closed /sealed/secured, it will not be possible to provide protection to the Whistle Blower as specified under this Policy). If the Whistle Blower/ complainant has to make a Protected Disclosure against the CEO, then such disclosure shall be made directly to the Chairperson.
- c. If the Whistle Blower believes that there is a conflict of interest between the CEO and the Whistle Blower, he/she may send his/her Protected Disclosure directly to the Chairperson. Further, if the Whistle Blower has reasons to believe that his/her Protected Disclosure may contain information likely to impact the Chairperson and result in a possible conflict of interest, he/she may send his/her Protected Disclosure to the remaining members of the Audit Committee and shall be dealt with, by them in such manner as they may deem appropriate.
- d. While anonymous complaints will be accepted and necessary action under this Policy will be taken, complete anonymity with regards to the adequate details on Protected Disclosures could result in certain amount of difficulty in the investigation procedure. Further, it is also clarified that in case it is found out that any of the details provided by the Complainant, either with respect to himself/herself or the Protected Disclosures, is untrue then the CEO/Chairperson is solely authorised to consider the Reportable Concern in question, as null and void.
- e. Protected Disclosure should either be typed or written in legible handwriting in English, Hindi, or Regional language of the place of employment of the Whistle Blower and should provide a clear understanding of the Improper Activity involved, or issue/concern raised.
- f. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and should keep in investigation.

## 7. Investigations and Role of Investigators

On receipt of any Protected Disclosure, the CEO, or the Chairperson (as the case may be) shall detach the covering letter and verify/confirm the authenticity of the Whistle Blower. On receipt of confirmation, the Protected Disclosure may be forwarded to the Investigators for investigation.

### a. Investigation Process:

- (i) Investigations will be launched only after a preliminary review by the CEO or the Chairperson, as the case may be, which establishes that:

- The alleged act constitutes an Improper Activity or unethical conduct; and

- The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information, but it is felt that the concerned matter deserves investigation.
- (ii) The CEO or the Chairperson (as the case may be) will, depending on the details of the Improper Activity received, outline the detailed procedure and scope for the conduct of such investigation, including on appointment of Investigators. The Chairperson and/or the CEO shall have all powers to effectively deal with the complaint/Protected Disclosure and the same powers shall vest in the Investigators once appointed.
- (iii) If the CEO or Chairperson determines that an investigation is not warranted, reason(s) for such determination shall be recorded in writing.
- (iv) If the CEO or Chairperson is prima facie satisfied that the Protected Disclosure warrants investigation of the alleged Improper Activity, the CEO or Chairperson will direct appropriate investigating machinery of the Company to investigate the matter.
- (v) The decision to conduct an investigation taken by the CEO or the Chairperson is by itself not to be construed as an accusation and is to be treated as a neutral fact-finding process.
- (vi) The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- (vii) Subjects will normally be informed of the allegations at the onset of a formal investigation and will be given opportunities for providing their inputs during the investigation.
- (viii) Subjects shall have a duty to co-operate with the CEO/Chairperson or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- (ix) Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with, and witnesses shall not be influenced, coached, threatened, or intimidated by the Subjects.
- (x) Unless there are compelling reasons not to do so, Subjects will be given the opportunity of being heard, respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.
- (xi) Subjects have a right to be informed of the outcome of the investigation.
- (xii) The investigation shall be completed normally within 45 days of the date of receipt of the Protected Disclosure or such extended period as the CEO/Chairperson may permit for reasons to be recorded. In case the investigation is being carried out by Investigators, the findings of the investigation are to be reported to CEO/Chairperson within the prescribed time-period.
- (xiii) The Investigators shall have the right to call for information/ document and/or examination of any Employee (including the Subject and Whistle Blower) as they may deem necessary to the process of investigation.



**b. Role of Investigators:**

- (i) Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority from Audit Committee when acting within the course and scope of their investigation.
- (ii) Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall perform their role in an independent and unbiased manner. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.

**8. Protection for Whistle Blowers**

- a. The identity of the Whistle Blower shall be kept confidential.
- b. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a violation/breach under this Policy. The Whistle Blower shall be protected against any detrimental action against him/her including victimization, harassment of any kind, threat, biased behaviour, or any other unfair employment practice as a result of any allegation/s made in Good Faith. The Company will take all necessary steps to protect the interests of the Whistle Blower, in-order to inculcate confidence to report such aforementioned concerns without fear of any form of reprisals.
- c. The Company will not disclose the identity of the Whistle Blower without his/her consent in writing. The Company will keep the Whistle Blower's identity confidential, unless:
  - The person agrees to be identified.
  - Identification is necessary to allow the Company or law enforcement officials to investigate or respond effectively to a complaint.
  - Identification is required by law.
  - The Subject is entitled to the information as a matter of legal right.
- d. The Company prohibits retaliation, threat, or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion against a Whistle Blower with the intent or effect of adversely affecting the terms or conditions of the Whistle Blower's employment (including, but not limited to, threats of physical harm, loss of job or impact on salary or wages).
- e. If the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, arrangements will be made for the Whistle Blower to receive advice about the procedure. Expenses incurred by the Whistle Blower in connection with the above, towards travel etc. will be reimbursed as per normal entitlements.
- f. A Whistle Blower may report any violation of the above clause to the Competent Authority, who shall investigate into the same and take corrective action as may be required.
- g. In the event that a complaint (in relation to point (e) above) made in Good Faith is subsequently found to be un-true, no action would be initiated against the Whistle Blower. However, the Whistle Blower must be cautious to avoid baseless allegations.

- h. Any other Employee/Stakeholder assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

## **9. Action**

- a. If an investigation discloses the existence of any Improper Activity, the CEO or Chairperson, as the case may be, shall be entitled to take or may direct the concerned authority to take disciplinary action under the provision of applicable Service Rules and/or initiate action under applicable statutory provisions.
- b. If the CEO or Chairperson, as the case may be, is satisfied that the Protected Disclosure is false, motivated, or vexatious, he/she may report the matter to the concerned disciplinary authority for appropriate disciplinary action against the Whistle Blower.
- c. The CEO or Chairperson, as the case may be, shall take such other remedial action as deemed fit to remedy the Improper Activity mentioned in the Protected Disclosure or to prevent the re-occurrence of such Improper Activity.
- d. If the CEO or Chairperson, as the case may be, is of opinion that the investigation discloses that no further action on the Protected Disclosure is warranted, he/she shall so record in writing.
- e. The Whistle Blower shall not determine the appropriate corrective or remedial action that may be warranted. In case a Whistle Blower is not satisfied with the action taken on the Protected Disclosure submitted, then he/she may write to the Chairperson with details of his/her disclosure and reason for dissatisfaction. The Chairperson will take appropriate steps after consultation with the other members of the Audit Committee. The decision of the Audit Committee shall be final for such cases.
- f. All parties, including the Whistle Blower and the Subject shall (i) maintain confidentiality of all matters that form part of the Protected Disclosure(s); (ii) discuss matters relating to the Protected Disclosure(s) only to the extent so required or with those persons as required for the completion of the process of investigation.

## **10. Reporting and Review**

The Company shall submit a quarterly report (including nil reports) of the Protected Disclosures (other than those directly being reported to the Chairperson) received, and of the investigation conducted, and of the action taken, to the Audit Committee and Board.

The Audit Committee shall have power to review any action or decision taken by the CEO. The CEO shall have the liberty to bring the complaint of any specific Improper Activity to the attention of the Chairperson, should he/she deem this appropriate.

## **11. Retention of Documents**

All the Protected Disclosures in writing or other documents along with the results of the investigation shall be retained by the Company for its record and future reference. All necessary steps shall be taken by all parties and the Company to obtain and preserve relevant emails, business communications, financial documents, or other evidence that is relevant to the scope of their investigation. Such information shall be preserved in line with the existing policies of the Company.

## **12. Implementation of the Policy**

This Policy will be applicable to all the branches/corporate office(s) of the Company. This Policy is published on the display board and external website of the Company.

## **13. Amendments and Interpretations**

The Board reserves the right to amend or modify this Policy in whole or part, at any time without assigning any reason whatsoever.

All questions of interpretation of the Policy shall be determined by the CEO and such determination shall be final and binding upon all concerned persons.