

# Reliance Communications Limited

## Whistle Blower (Vigil Mechanism) Policy (Audit Committee – 02.05.2014)

### A. Purpose

To prohibit managerial personnel from taking adverse personnel action against an employee, as a result of the employees' good faith disclosure of alleged wrongful conduct to an Audit Committee on a matter of public concern. An employee, who discloses and subsequently suffers an adverse personnel action as a result, is subject to the protection of this Policy. It provides channel to the Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy.

### B. Eligibility and applicability

All Directors and Employees of the Company are eligible to make Protected Disclosures under the policy in relation to matters concerning the Company.

#### Applicability

All employees, managers and Directors of Reliance Communications Limited and its subsidiary companies, who disclose alleged wrongful conduct, as defined in this Policy, and, who, as a result of the disclosure, are subject to an adverse personnel action.

### C. Policy

No adverse personnel action may be taken against Complainant in knowing retaliation for any lawful disclosure of information on a matter of public concern to Compliance Officer or an Audit Committee, which information the employee in good faith believes evidences:

- a violation of any law,
- Mismanagement,
- Gross waste or misappropriation of Company/ public funds,
- A substantial and specific danger to public health and safety; or
- An abuse of authority collectively referred to herein as "alleged wrongful conduct."

No manager, director, department head, or any other employee with authority to make or materially influence significant personnel decisions shall take or recommend an adverse personnel action against Complainant in knowing retaliation for disclosing alleged wrongful conduct to the Compliance Officer or Chairman of the Audit Committee.

### D. Definitions

1. **Abuse of authority:** Action or decision which is outside the scope of the alleged violator's position, scope of duties, or level of authority as authorized by the designee. However, even actions or failure to take actions which are within the alleged violator's authority may constitute abuse of authority if the violator's motive or purpose is to harass, intimidate, or treat the Complainant unreasonably or capriciously under the applicable facts and circumstances.
2. **Adverse personnel action:** An employment-related act or decision or a failure to take appropriate action by a manager or higher level authority which affects an Complainant negatively.

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The following are adverse personnel actions in the Company's personnel system:

- (i) Termination of employment,
  - (ii) Demotion,
  - (iii) Suspension,
  - (iv) Written reprimand,
  - (v) Retaliatory investigation,
  - (vi) Decision not to promote,
  - (vii) Receipt of an unwarranted performance rating,
  - (viii) Withholding of appropriate salary adjustments,
  - (ix) Imposition of involuntary transfer or reassignment;
  - (x) Elimination of the employee's position, absent a reduction in force, reorganization, or a decrease in or lack of sufficient funding, monies, or work load;
  - (xi) Denial of awards, grants, leaves, benefits, or training for which the employee would normally be eligible.
  - (xii) Other significant change in job responsibilities or working conditions which are inconsistent with the employee's position, salary or grade.
3. **Alleged wrongful conduct:** Violation of law, mismanagement, gross waste or misappropriation of monies, substantial and specific danger to public health and safety or abuse of authority.
  4. **Audit Committee:** A Committee of the Board of Directors constituted under the provisions of the Companies Act, 2013 and Listing Agreement, as amended from time to time.
  5. **Compliance officer:** means a Company Secretary of the Company or any other person as may be designated by the Board of Directors of the Company from time to time.
  6. **Conflict of interest:** When an employee/ Director is in a position to influence a Company activity or decision in ways that could lead to any matter or form of personal gain to the employee/ Director or for his/ her family member, or when the employee/ Director has a personal vested interest in the activity or decision.
  7. **Discloser:** A Complainant who reports alleged wrongful conduct to the Compliance Officer or a Chairman of the Audit Committee, as defined herein.
  8. **Disclosure:** Oral or written report by a Complainant to Compliance Officer or a Chairman of the Audit Committee of alleged wrongful conduct on a matter of public concern.
  9. **Disclosure investigation:** Review and determination made by the Compliance Officer or an Audit Committee.
  10. **Gross waste or misappropriation of Company/ Public funds:** Action or decision which is outside the scope of the alleged violator's spending or budgetary authority, or even when the action or decision is within budgetary authority, the action would be considered by a reasonable person to be grossly excessive, wasteful, or an improper use of Company/ public funds.

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11. **Knowing retaliation:** An adverse personnel action taken by a manager or other authority against the Complainant because of a prior disclosure of alleged wrongful conduct.
12. **Mismanagement:** Action or decision which exceeds the scope of the alleged violator's responsibilities, or even if the action is within responsibilities, the action would be considered by a reasonable person to be grossly excessive or unfair.
13. **Personnel action:** An employment-related action or decision which affects the Complainant positively or negatively.
14. **Service provider:** Independent entity which has contracted with the Company to provide hearing officer services. The hearing officer will be selected by the service provider through a process which includes consultation with the parties.
15. **Managerial employee:** Any manager, director, department head, or other employee who has authority to make or materially influence significant personnel decisions.
16. **Violation of law:** A violation of local, state, central or federal law or rules and regulation that is applicable to the Company or its employees/ Directors.
17. **Whistleblower complainant ("complainant"):** A current or former employee or Director who disclosed alleged wrongful conduct to Compliance Officer or Chairman of an Audit Committee and who subsequently is subject to an adverse personnel action as a result of making the prior disclosure.
18. **Whistleblower complaint:** A complaint filed by a complainant with a Compliance Officer or an Audit Committee alleging that an adverse personnel action was taken in retaliation for disclosure of alleged wrongful conduct made.
19. **Whistleblower complaint review:** A review by a Compliance Officer or Chairman of the Audit Committee of a **whistleblower** complaint, resulting in a written decision which the Company officer provides to the complainant.
20. **Whistleblower external hearing:** A hearing conducted by an external hearing officer selected by the complainant and Company to conduct a hearing if the complainant is dissatisfied with the decision of the Company officer following a whistleblower complaint review.

### E. Making a Disclosure

A Complainant who becomes aware of alleged wrongful conduct is encouraged to make a disclosure to the Compliance Officer or Chairman of the Audit Committee as soon as possible, but in any case must make the disclosure no later than 60 consecutive calendar days after becoming aware of the conduct.

However, in order to allow the Company an opportunity to investigate alleged wrongful conduct and to take necessary internal corrective action, Complainants are encouraged to report in writing a disclosure of alleged wrongful conduct to the Manager of his / her Department. If the employee is unwilling or unable to put an oral disclosure in writing, the Company officer who investigates the disclosure will prepare a written summary of the employee's disclosure and provide a copy to the employee. No later than 10 days after receipt of the summary, the employee may submit a written supplement to the Company

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officer who prepared the summary. Failure to submit a supplement within 10 days will constitute acceptance of the summary as an accurate statement of the disclosure made by the employee. The Company officer will conduct an investigation into the allegations of the disclosure and will take necessary corrective action, as warranted. Throughout this process, the confidentiality of the discloser will be maintained to the greatest extent possible. At the conclusion of the investigation, the Company officer will notify the discloser and other affected employees in writing of the determination. A copy of the determination shall be retained by the manager, the discloser, and the alleged violator. The investigation shall be conducted by a Company officer who does not have a conflict of interest in the matter being investigated. Where the Company officer determines the employee's allegations do not meet the definition of disclosure under this policy, the Company officer shall refer the employee to other available Company grievance or appeal processes to address the employee's concerns.

### **F. False Allegations of Wrongful Conduct**

A Complainant who knowingly makes false allegations of alleged wrongful conduct to Compliance Officer or Chairman of the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company's rules, policies, and procedures.

### **G. Legitimate Employment Action**

This policy may not be used as a defense by the Complainant against whom an adverse personnel action has been taken for legitimate reasons or cause under Company rules and policies. It shall not be a violation of this policy to take adverse personnel action against the Complainant whose conduct or performance warrants that action separate and apart from that Complainant making a disclosure.

### **H. Whistleblower Complaint**

No later than 30 days after Complainant has notified or becomes aware of an adverse personnel action, he or she may protest the action by filing a written whistleblower complaint with a Compliance Officer or Chairman of the Audit Committee if the Complainant believes the action was based on his or her prior disclosure of alleged wrongful conduct. The Compliance Officer or Chairman of the Audit Committee, on receipt of a whistleblower complaint, shall review the complaint expeditiously to determine:

- (1) Whether the complainant reported alleged wrongful conduct on a matter of public concern before an adverse personnel action was imposed;
- (2) Whether the complainant suffered an adverse personnel action after reporting alleged wrongful conduct;
- (3) Whether the complainant alleged that the adverse action resulted from the prior disclosure; and
- (4) Whether the complainant alleged the adverse action was the result of knowing retaliation for the Complainant's disclosure.

The review shall be conducted by a Compliance Officer or the Chairman of the Audit Committee who do not have a conflict of interest in the matter being reviewed. No later than 45 days after receipt of the complaint, the Compliance Officer or Chairman of the Audit Committee shall notify the complainant in writing of the results of the review and

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whether the adverse personnel action is affirmed, reversed, or modified, and provide a copy of the decision to the Complainant's reporting authority. The reporting authority will implement the decision and will verify implementation in writing to the Compliance Officer or Chairman of the Audit Committee no later than 10 days after receipt of the decision. Where the Compliance Officer or Chairman of the Audit Committee finds the Complainant did not make a disclosure pursuant to this policy, the Complainant shall be referred to other available Company grievance or appeal processes to pursue the complaint. Furthermore, because there are other Company policies and statutes that provide remedies for claims of retaliation following the filing of an unlawful discrimination complaint, such retaliation claims will be referred to the Company office charged with investigating allegations of discrimination rather than being reviewed as whistleblower complaints. A complainant who is dissatisfied with the decision of the Compliance Officer or Chairman of the Audit Committee on the whistleblower complaint may file a request for a whistleblower hearing and proceed under the following procedures.

### I. Procedure

The Company has contracted with qualified service providers to provide qualified external hearing officers and a hearing process for a complainant who is dissatisfied with the Compliance Officer's or Chairman of the Audit Committee's decision. The purpose of the hearing is to determine whether an adverse personnel action resulted from the complainant's prior disclosure of alleged wrongful conduct. No other issues or determinations are authorized. The hearing officer will be selected by the service provider in consultation with the parties. The hearing officer cannot be a Company employee and, except for the contractual arrangement to provide hearing officer services, cannot have substantial interest in the Company.

#### a. Request for hearing

No later than 15 days after receipt of the Company officer's decision, a complainant who is dissatisfied and desires an external hearing must file a written request for hearing with the Company representative or office designated to review these requests.

#### b. Contents of request for hearing

A request for hearing must contain the following:

- (1) A specific statement that it is a request for a whistleblower hearing by an external hearing officer;
- (2) The name, work address, work telephone number and position of the complainant;
- (3) The name, work address, work telephone number and position of the Company officer who issued a decision on the complainant's whistleblower complaint;
- (4) A statement of the reasons for requesting a hearing including the objectionable portion of the Company officer's decision;
- (5) A statement of the specific relief or remedy requested; and
- (6) Copies of
  - (a) the Complainant's prior disclosure and
  - (b) the decision on the whistleblower complaint.

#### c. Appointment of hearing officer

No later than 20 days after receipt of a request for hearing, the designated Company officer who receives the complaint will determine whether the complainant qualifies for an external hearing based on the following:

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- (a) The complainant identified an adverse personnel action imposed on him or her and the date of notice of the action;
- (b) The complainant made a prior disclosure of alleged wrongful on a matter of public concern prior to the adverse personnel action;
- (c) The Complainant alleges the adverse personnel action resulted from the prior disclosure;
- (d) The Complainant attached the disclosure and the decision on the whistleblower complaint review to the request for hearing.

If the request qualifies for an external hearing, the designated Company officer will forward the request to the service provider to begin the process of selecting an external hearing officer and conducting a whistleblower hearing. If the request does not qualify for a whistleblower hearing, the request will be returned to the Complainant with written reasons for rejection.

**d. Submission of the record**

No later than 20 days after receipt of the request for hearing, the service provider shall notify the Complainant and the designated Company officer that the request for hearing is accepted and assist the parties with the mutual selection of the hearing officer, the procedures for a pre-hearing conference in person or by telephone, and the procedures which will be followed in conducting the hearing, including submission of evidence, documents, and witness lists. The hearing officer may require the parties to submit summaries of their positions before the hearing commences. The hearing will be conducted no later than 90 days after the request is received by the service provider, unless the hearing officer extends the time for good cause.

**e. Conduct of hearing**

Hearings shall be conducted in accordance with the requirements of rules governing administrative hearings, as well as the requirements of this policy and the rules and procedures of the service provider. The procedures designated in this policy supersede rules of the service provider, if there is a conflict. The formal rules of evidence do not govern the hearing. Generally, the party advocating a particular point or fact has the burden of proof on that point or fact. Ultimately, the person seeking review has the burden of persuading the hearing officer that the adverse action occurred because of a prior disclosure of alleged wrongful conduct. The evidence standard is proof by a preponderance of the evidence. The hearing officer has subpoena power. The hearing shall either be recorded or transcribed, as determined by and at the Company's expense, so as to provide an accurate, written rendition of the hearing.

**f. Attorneys or advisers**

Complainant, at his or her own expense, may be represented by an attorney at any stage of the hearing process, including but not limited to presentation of the case during the hearing. If the complainant is represented at the hearing by an attorney, then the Company representative may also be represented at the hearing by an attorney.

**g. Resolution by agreement**

At any time, the parties may agree upon a resolution of the matter. In such event, the written agreement shall be presented to the designated Company officer who shall

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close the case and notify the service provider and the parties in writing that the matter is resolved by agreement.

### h. Hearing officer's decision

No later than 30 days after the close of the hearing, the service provider shall provide the hearing officer's written report to the parties and to the Company. The report will contain findings of fact and the evidence relied upon to sustain those facts, conclusions including reference to applicable law, rules or policies, and a decision by the hearing officer that the adverse personnel action was or was not based on a prior disclosure, and whether the adverse action is affirmed, reversed, or modified. The Company will implement the decision of the hearing officer no later than 10 days after receipt. The decision of the hearing officer shall be final.

### J. Dissemination

The Company has develop appropriate mechanisms to advise all employees/ Directors of the existence of this policy, including but not limited to making the policy available on the Company's web site, including a reference to the policy in employee handbooks, and posting copies of the policy where appropriate.

### Features of Whistle Blower Policy

- Applicable to employees/ Directors **who disclose alleged wrongful conduct** and as a result are subject to adverse personnel action.
- "Alleged wrongful conduct" defined as a violation of any law, mismanagement, gross waste or misappropriation of Company/ public funds, substantial and specific danger to public health and safety; or abuse of authority.
- Complainant to **disclose alleged wrongful conduct to the reporting authority** at the first instance. The reporting authority not having conflict of interest, will conduct an investigation into allegations and take necessary corrective action. The result of investigation will be notified to the Complainant.
- Complainant may also independently **disclose alleged wrongful conduct to the Compliance Office or Chairman of the Audit Committee** within 60 days after becoming aware of such conduct.
- If any adverse personnel action is taken against an Complainant due to disclosure of alleged wrongful conduct, such Complainant can file a **whistle blower complaint** with the Compliance Office or Chairman of the Audit Committee.
- The Compliance Office or Chairman of the Audit Committee shall **review the complaint** and give his decision within 45 days from the receipt of the complaint. The decision shall be implemented within 10 days.
- The dissatisfied Complainant shall request for **whistle blower hearing** by external hearing officers.
- The Company shall retain **qualified service providers** who will provide external hearing officers to determine whether an adverse personnel action resulted from the Complainants' prior disclosure of alleged wrongful conduct. The decision of external hearing officer shall be final.

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