

Financial Benchmarks India Pvt. Ltd.

Whistleblowing Policy

4th August, 2016

Version 1

Introduction

The RBI Report of the Committee on Financial Benchmarks enjoins the Benchmark Administrator to establish an effective Whistleblowing mechanism to facilitate early detection of any potential misconduct or irregularities in the benchmark determination process. The Whistle Blowing Policy is expected to allow external reporting of such cases where appropriate” (Please refer Para 5.10 (xiii) of the Report)

The policy sets out procedures which FBIL adopts in processing whistleblowing reports.

2. Definitions: *Please see Annexure*

3. Scope: Any individual may submit (anonymously if so desired) whistleblowing reports if the person is aware of any suspicious and/or potentially manipulative activities that may affect the integrity of any aspect of those benchmarks that the FBIL administers, such as (but not limited to) –

- a) Methodology of the rates/benchmarks administered by FBIL
- b) rate submission arrangements of the contributors;
- c) calculation/publication of the rates/benchmarks by calculating agents; and
- d) administration of the benchmarks by the FBIL.

4. Submitting a Whistleblowing report:

Whistleblowing reports may be submitted through any of the following channels –

(i) **In writing to :**

Mr.C.E.S. Azariah, Director,
Financial Benchmarks India Pvt. Ltd
2nd Floor, United India Bldg.,
Next to RBI Amar Bldg., Monetary Museum,
Sir P.M. Road, Fort, Mumbai 400 001.
Tel: 022- 2269 0321- 26; Fax: 2262 6454

(ii) **Email to:** WBO@fbil.org.in

(iii) **Web Portal :**

(The link will be provided as soon as the Web Portal is launched)

5. Handling of Whistleblowing submissions

The FBIL - designated executive is primarily responsible for monitoring the various channels established for receiving whistleblowing submissions. He/she will give a timely acknowledgement of the receipt of whistleblowing submissions, and will respond to the whistle-blowers.

5.1 As regards the handling process, the WBO will investigate whether there is *prima facie* evidence of the alleged irregularities. Any records of such investigations will be documented by the FBIL Office. The WBO may approach the whistle-blower, the accused party, and/or other third parties for investigating purposes. FBIL WBO will escalate all whistleblowing reports received, to the Oversight Committee of FBIL.

5.2 The WBO, will report the investigation findings to the Oversight Committee. If the Oversight committee feels that there is *prima facie* evidence of the alleged issue, it will escalate the matter to the Board for its consideration. The Board if satisfied with the findings, will notify the concerned erring organisation and the Reserve Bank of India/concerned regulator for necessary follow-up and remedial actions as required.

- a) Acknowledgement within: 1 week
- b) Preliminary Investigation within: 1 month
- c) Communication within: 1 month and 15 days of acknowledgement. If no further investigation is felt necessary.
- d) Escalation and redressal within: 3 months of receipt of the complaint.

5.3 FBIL will ensure that parties alleged to be involved in the irregularities are not a part of the investigations. If the whistleblowing report relates to the FBIL Offices' administrative functions, the alleged irregularities would be thoroughly investigated, and such investigations will be conducted by parties that are not related to the whistleblowing submissions. External assistance if required will be sought.

5.4 All documents including those submitted by the whistle-blower as well as FBIL's record of investigations, will be retained for a minimum period of eight years.

5.5 Protected Disclosure by an FBIL Employee: If an employee of FBIL is the Whistle-blower the FBIL Board undertakes that:

The FBIL employee is protected from penalisation by FBIL management for reporting such activities Penalisation may be any of the acts such as

- Suspension /Layoff/Dismissal
- Demotion
- Transfer of duties, change of location, change in working hours, reduction in wages
- Imposition of reprimand, discipline or other penalty
- Unfair treatment;
- Discrimination;
- Harassment, threat of reprisal

5.6 Whistle blowing Reports to the Oversight Committee:

In every Oversight Committee meeting a review report will be submitted by the Whistleblowing officer, by way of an Agenda item. The report will comment on the progress regarding the open whistle blowing reports, if any, and also about fresh Reports, if any, received. Whenever a fresh report is received it will be reported first to the OC and thereafter a detailed report will be submitted to FBIL Board in its next meeting

6. Confidentiality

Appropriate procedures and segregation arrangements are put in place to ensure that details regarding the receipt and investigation of whistleblowing reports are kept in strict confidence. FBIL will not reveal the whistle-blower's identity without his/her prior consent, unless so required as per law in force.

7 Update and publications

The policy will be reviewed from time to time. Changes made will be intimated to all stakeholders, and also will be made available on FBIL website.

ANNEXURE

Please refer para 2 of the Whistle Blowing Policy

2.1 Financial Benchmarks: The Financial Benchmarks in scope of the WBP are price estimates, rates, indices or values that are:

Calculated periodically, entirely or partially by application of a formula or another method of calculation to, or an assessment of, a traded price or value of one or more underlying assets which is /might be used to determine interest payable, or other sums due, under any agreements or under other financial contracts or instruments or to determine price/s at which a financial instrument may be bought or sold or traded or redeemed, or the value of a financial instrument and/or Measuring the performance of a financial instrument.

2.2 Benchmark Administration: The Benchmark setting process involves four major activities i.e.

- Administration
- Submission (for benchmarks determined through polling process)
- Calculation
- Publication

The Benchmark Administration includes all stages and processes involved in the production and dissemination of a Benchmark, including:

- a) Collecting, analysing and/or processing information or expressions of opinion for the purposes of the determination of a Benchmark;
- b) Determining a Benchmark through the application of a formula or another method of calculating the information or expressions of opinions provided for that purpose; and
- c) Dissemination to users, including any review adjustment and modification to this process.
