

WHISTLE BLOWER POLICY FOR EMPLOYEES

PREAMBLE -

The Bank is committed to adhere to the highest standard of Ethical, moral and legal conduct of business operation. To maintain these standards, the Bank encourages employees who have concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment.

The Whistle-blower Policy is framed for the employees to report to the appropriate authority, any violation of systems & procedures, malpractices, abuse of powers, non-compliance of laid down system, wrong doing, misconduct, irregularities and commission of fraud etc. which comes to their knowledge. The Whistle-blower Policy of the Bank provides broad guidelines for reporting of such malpractices promptly so that it should not adversely affect the business and reputation of the Bank. To disseminate among the employees assuring confidentiality and protection to the whistle blower against any personal vindictive actions such as humiliation, harassment or any other form of unfair treatment.

SOURCE:

As per guidelines / directions dated.01.07.2016 issued by Reserve Bank of India under Section 35 (A) of Banking Regulation Act, which specifically provide for a “Whistle Blower Mechanism” for the employees of the organizations, to report allegations of corruption or misuse of office by the authorities of the organization .

OBJECTIVE -

The objective of this policy is to identify any violation of rules with the help of the employees and to take timely corrective action so as to protect the interest of the Bank at the earliest stage.

COVERAGE -

The illustrative list of incidences that can be reported is as under -

1. Breach of Bank’s policy prescriptions.
2. Acts of recklessness in decision making
3. Demanding and /or accepting gratification
4. Non permissible accounting matters and auditing matters
5. Gross negligence
6. Act of financial malpractices
7. Abuse of powers
8. Any other act which affects the interest of the Bank adversely and has the potential to cause financial or reputational loss to the Bank / activity which is harmful to the Bank’s image
9. Acts of misappropriation, Cheating or other criminal offences

10. Indications of living beyond the means
11. Corrupt practices
12. Harassment
13. Blatant violation of laid down procedures
14. Frauds, bribery or corruption
15. Manipulation of data / documents
16. Any other unethical conduct

The above list is only indicative and not exhaustive.

Exclusion:-

Decisions taken by the committee established by the Bank & Policy decisions of the Bank shall be outside the purview of the policy.

PROCESS –

1) Reporting Mechanism –

- a. Under the provisions of RBI's directions, the Whistle blower complaints are to be scrutinized by the committee Fraud Monitoring Group (FMG) of the Bank. General Manager (IT) is authorized to receive the complaints under the Whistle blower Policy and the Fraud Monitoring Group (FMG) shall scrutinize the same as per the Fraud Risk Management Policy and initiate appropriate actions in the matter as mentioned under Whistle blower policy.
- b. Any employee, coming across such adverse events shall promptly report the same immediately on noticing the said adverse activity.
- c. The employees of the Bank use the following off-line procedure:-
 - The complaint should be in a closed / secured envelope and shall be opened by authorized officer.
 - The envelope should be addressed to General Manager (IT), Head Office, Chhatrapati Sambhajinagar and should be super scribed "Complaint under Whistle blower Policy". The complainant should give his/her name and address in the beginning or end of complaint or in an attached letter. If the envelope is not super scribed and not closed, it will not be possible for authorized officer to protect the identity of the complainant and the complaint will be dealt as per normal complaint handling policy.
 - The complaint of anonymous / pseudonymous nature will not be accepted or acted upon.
 - The text of the complaint should be carefully drafted so as not to give any details or clue as to his/her identity. However, the details of the complaint should be specific and verifiable.

2) Mechanism for Action/ Reporting on such disclosures -

- i. The General Manager (IT), on receipt of the complaint, arranges to verify the identity of the whistle Blower and will initiate to investigate by a Head office committee known as Fraud Monitoring Group (FMG). Progress of the investigation carried out by Inspection dept. will be monitored by FMG.

The composition of FMG committee is as under:

- a) General Manager (Admin),
- b) General Manger (IT),
- c) HOD (Inspection & Audit),
- d) HOD (Credit Monitoring),
- e) HOD (HRM) ,
- f) HOD (Vigilance)

The Committee meetings would have a quorum of minimum of 3 members where the presence of General Manager (Admin) or General Manager (IT) is mandatory. The Committee would be headed by General Manager (Admin) present in the meeting and in absence of General Manager (Admin) due to leave, tour etc., General Manager (IT) will act as chairman of the committee.

- ii.* The meeting of the committee will be convened within 30 days of reporting in whistle blower subject to proper evidence and credible information about the involvement.
- iii.* Proper record will be kept of all disclosures received. The action against each disclosure will also be noted.
- iv.* Any inquiry/ investigation conducted against any subject shall not be construed by itself as an act of accusation and shall be carried out as neutral fact finding process, without presumption of any guilt.
- v.* The inquiry/ investigation shall be conducted in a fair manner and provide adequate opportunity for hearing to the affected party and a written report of the findings should be prepared for submission.
- vi.* A time frame of maximum 30 days will be permitted to complete the investigation / enquiry. In case the same cannot be completed within stipulated period, interim report should be submitted by the Investigators giving inter alia, the tentative date of completion.
- vii.* In case the complaint made does not have any specific & verifiable information, the General Manager (IT), will be authorized not to take any action with due consultation with FMG committee . This would be suitably recorded.
- viii.* In case the allegations made in the complaint are substantiated, appropriate departmental action will be taken against the employee concerned on whose part lapses are observed.
- ix.* The action taken against the subject / employee as stated in the above paragraph will be in addition to any other action or prosecution which may be initiated against said subject/ employee under any statute or law in force.

3) Protection of Interest of Complainant –

- a)* The Bank will protect the confidentiality of the Complaints and their names / identity will not be disclosed except as statutorily required under law.
- b)* In order to protect identity of the person, no acknowledgement shall be issued and the whistle-blowers are advised not to enter into any further correspondence, in their own interest. It is to be ensured that, subject to the facts of the case being verifiable, the necessary action is taken.

- c) While calling for further report/investigation, the Committee-FMG shall not disclose identity of the informant and also shall request the concerned head of the department to keep confidential the identity of the informant, if for any reason the head comes to know the identity.
- d) If any person is aggrieved by any action on the ground that he/she is being victimized due to the fact that he/she had filed a complaint, he/she may file an application before the committee seeking redress in the matter, whereupon suitable directions may be given to the concerned Department.
- e) In the event of identity of the informant being disclosed, the FMG Committee may advise the appropriate authority to initiate action as per extant regulations against the person making such disclosure.

4) Disqualification from protection –

Any abuse of the scheme by way of a complaint made with malafide intention or which is false or bogus will disqualify the complainant from the protection under the scheme and he/she will be liable for suitable disciplinary action in such cases.

In pursuant to a complaint, if the investigation reveals the involvement of the Whistle Blower himself/herself in the act and/or irregularity, no protection including that of non-disclosure under this policy shall be available to the Whistle Blower under any circumstances and he/she shall be liable to be proceeded against as per norms, for his/her involvement in the act and/or irregularity.

The Policy doesn't protect an employee from an adverse action which occurs independent of his disclosure under this policy or for alleged wrongful conduct, poor job performance, and any other disciplinary action etc., unrelated to a disclosure made pursuant to this policy.

5) ROLES AND RESPONSIBILITIES –

The General Manager (IT) shall inter-alia take the following actions with respect to the complaints received.

- a. All the relevant papers/documents with respect to the matter raised in the complaint should be obtained by the General Manager (IT) and investigation should be commenced immediately through committee-FMG.
- b. The Fraud Monitoring group has to ensure that no punitive action is taken by any concerned administrative authority against any person on perceived reasons / suspicion of being "whistle blower".
- c. Any other step the FMG may deem fit in the facts & circumstances of case with a view to ensure that–
 - (i) The matter is taken to the logical end
 - (ii) The Whistleblower is protected in any event.
- d. Concerned Disciplinary Authority has to undertake suitable disciplinary action based on such complaints.
- e. FMG may refer the matter for further investigation to CBI/Police, if warranted by the facts and circumstances of the case.
- f. In relation to whistle blower complaints and Senior Management escalations, on quarterly basis, authorized officer (General Manager (IT)) will provide details of cases received, as well as complaints under investigation during the period to the Audit Committee of the Board (ACB) for necessary review of progress of action taken. Details

would include gist of the complaint, investigation status and action taken, but not the identity of whistleblower. All complaints received and status of investigation/actions thereto, will be reported to the subsequent quarterly Audit Committee meeting for review. The Audit Committee of the Board will review the status report submitted by authorized officer / FMG and place their observation / directions for taking corrective measures to prevent recurrence of such events in future.

False & motivated Complaints –

In case the complaint is found to be motivated or vexatious, the Fraud Monitoring Group shall be at liberty to direct the appropriate authority to take disciplinary action against the employee.

Responsibilities of Whistle Blower –

The intent of this policy is to bring genuine and serious issues to the fore and it is not intended for petty disclosure. Employees are expected to exercise their rights under this policy in judicious manner by adhering to the following guidelines,

- (i) Avoid anonymity when raising a concern as the identity shall be protected by the concerned official/s in the Bank
- (ii) Follow the procedures prescribed in the policy for making a disclosure
- (iii) Bring to early attention of the Bank any improper practice or wrong doings, he/she becomes aware of. As the delay in reporting may lead to loss of evidence and also financial loss to the organization.
- (iv) Cooperate with the investigating authorities and maintain full confidentiality.

Review of the Policy: The review of the policy will be taken every year by the Board of the Bank. It shall however remain in force till further review by board.

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WORKFLOW CHART

WHISTLE BLOWER

She / He will submit complaint to authorized official at Head Office {General Manager (IT)} in Offline mode, along with all supporting documents.



**AUTHORISED OFFICIAL or
DESIGNATED AUTHORITY**

The authorized officer shall, on receipt of the complaint, arrange to verify the identity of the Whistle Blower. Only on being satisfied that the disclosure has genuine information after verifying it from independent sources, the authorized officer will initiate the investigation through FMG.



FRAUD MONITORING GROUP

The FMG committee comprising of General Manager (as specified in Point 2.i) will initiate the investigation procedure and submit its report with necessary instruction to the appropriate Disciplinary Authority to initiate disciplinary proceedings or closure of the complaint if not genuine or not verifiable.



AUDIT COMMITTEE OF THE BOARD

The authorized officer / designated authority shall place details of complaint received in every quarter before Audit Committee of the Board, who will review the progress of action taken by the Committee.

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