



**Saraswat
Bank**

**WHISTLEBLOWER POLICY
(FY 2020-25)**

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WHISTLEBLOWER POLICY

1. PREAMBLE

- ❖ Whistleblowing, in its simplest form, involves reporting of wrongdoing within an Organization either to internal or external parties. Disclosures of such information in the public interest by the employees/public has gained acceptance by public bodies for ensuring better governance standards and transparency. Instances of fraudulent activities by employees/ stakeholders may result in substantial financial loss, loss of goodwill or even penal action against the officials of the organization. Large scale corporate frauds had necessitated internationally, various legislative measures for safeguarding public interest through enactments such as the Whistle blower Protection Act in the USA and the Public Interest Disclosure Act in the UK.
- ❖ In India, the GOI had passed a resolution in April 2004 authorizing the Central Vigilance Commission (CVC) as the Designated Agency to receive written complaints or disclosure on any allegation of corruption or of misuse of office and recommend appropriate action.
- ❖ The jurisdiction of the CVC is restricted to employees of the Central Government and other authorities, corporations, companies etc owned or controlled by it.
- ❖ Since all Public Sector Banks have been brought under the purview of the CVC, the RBI recently introduced a scheme called “Protected Disclosure Scheme for Private Sector and Foreign Banks” covering the features of a whistle blower policy. The RBI’s note on the subject states that this would get extended to other RBI regulated entities including Primary (Urban) Cooperative Banks in due course.
- ❖ Our Bank has, suo moto, decided to draw up a Whistleblower Policy, keeping in line with our traditions of good governance and transparency.

2. OBJECTIVE

- ❖ To provide employees, depositors, borrowers, stake holders etc an avenue to raise concerns of corruption, misuse of office, criminal offences, suspected/actual fraud, failure to comply with existing rules and regulations such as the Banking Regulation Act 1949 Act and actions resulting in financial loss ,operational risks ,loss of reputation etc detrimental to the depositors/ Bank/ stakeholders/public interests.
- ❖ A Whistleblower Policy and its effective enforcement has the potential not only to significantly reduce fraudulent activity but also to send a signal to both internal and external

constituencies that the Bank exercises good corporate Governance.

- ❖ The objective of this Policy is also to provide necessary safeguards for the protection of the employees from reprisal or victimization for whistleblowing in good faith.

3. OWNERSHIP

- ❖ The ownership of the Policy is with Secretarial Department

4. VALIDITY OF THE POLICY

- ❖ The present Policy will be effective from date of approval by Board till the next policy is revised and ratified by Board.

5. SCOPE AND COVERAGE

- ❖ Under the Policy all employees of the Bank, depositors/borrowers/shareholders/public having sufficient grounds for concern can lodge the complaints. The complainant would be referred to as the “Whistleblower”.
- ❖ These complaints can pertain to the acts of omission and commission by any of the employees of any of the branches/Departments/Corporate Office.
- ❖ Unlike the PSU banks and the Private and Foreign banks where the policy calls for the whistleblower to send the complaint to an external agency i.e the RBI, in the case of our Bank, since our Bank is yet to be covered under the RBI guidelines, the reporting of the complaint will be to an internal agency, at least for the present. This person will be called the Ombudsperson.

6. MAIN FEATURES OF THE POLICY

- ❖ The Policy is intended to cover the following serious and sensitive concerns:
 - acts that are unethical/immoral/illegal.
 - actions that would amount to serious improper conduct.
 - actions that may lead to/has lead to financial frauds/incorrect and misleading financial reporting.
 - actions that are in contravention of the various policies/rules framed by the regulators/the Bank from time to time.
- ❖ The Ombudsperson will be a senior employee with proven track record and well respected for his/her integrity, independence and fairness. The General Manager, Secretarial Department will be the Ombudsperson for the present and he/she will receive all the complaints under this Policy and ensure appropriate action.

- ❖ Concerns expressed anonymously/pseudonymously will not be usually entertained. However, if the matter is of a very serious nature, the Ombudsperson may initiate an investigation independently.
- ❖ The complainant should give his/her name and address either in the complaint itself or in a covering letter. In the case of an employee making such a complaint, details such as name, designation, department, and place of posting should be furnished. Follow-up questions and investigation may not be possible unless the source of the information is identified.
- ❖ The text of the complaint should be carefully drafted so as not to give any details or clue to the complainant's identity. The details of the complaint should be specific and verifiable.
- ❖ The complaint should be sent in a sealed /closed envelope.
- ❖ The envelope should be addressed to The Ombudsperson, Saraswat Co-operative Bank Ltd, Ekanath Thakur Bhavan, 953, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400025.
- ❖ The complainant will receive an acknowledgement on receipt of the complaint.
- ❖ All complaints received will be recorded and looked into. If the initial enquiries by the Ombudsperson indicate that the concern has no basis, or it is not a matter to be pursued under this Policy, it may be dismissed at the initial stage itself and the decision documented.
- ❖ If there appears to be some truth in the complaint, an independent investigation will be ordered by the Chairman/Board.
- ❖ The investigation will be carried out either by the Ombudsperson alone or by a Committee nominated by the Chairman/Board. The investigation would be conducted in a fair manner, as a neutral fact-finding process and without presumption of guilt.
- ❖ The frequency of contact between the complainant and the body investigating the matter will depend on the nature of the issue and the clarity of information provided. Further information may also be sought from him/her.
- ❖ Based on a thorough examination of the findings, the Ombudsperson/the Committee will prepare a report of the findings which would also recommend an appropriate course of action to the Chairman/Board.
- ❖ All discussions in the matter will be minuted and the final report prepared.

- ❖ Appropriate action will be initiated against the employee, wherever warranted.
- ❖ Appropriate administrative steps will be taken for redressing the loss, if any, caused to the Bank, as a result of the corrupt act or mis-use of office, or any other offence covered by the Policy.
- ❖ Criminal proceedings, if warranted by the facts and circumstances of the case, will be initiated.
- ❖ Corrective measures to prevent recurrence of such events in future will be taken.
- ❖ Subject to legal constraints the complainant will receive information about the outcome of any investigation.

7. SAFEGUARDS

(i) CONFIDENTIALITY

Every effort will be made to protect the identity of the complainant, subject to legal constraints except in cases where the complainant turns out to be vexatious or frivolous and action has to be initiated against the complainant. In the event of the identity of the complainant being disclosed, the Bank can initiate appropriate action against the person making such disclosure.

(ii) HARASSMENT OR VICTIMISATION

Harassment or victimization of the complainant will not be tolerated and could constitute sufficient grounds for dismissal of the employees found guilty of such behavior.

(iii) MALACIOUS ALLEGATIONS

Motivated/vexatious complaints made under this scheme may result in disciplinary action.

8. REPORTING

The Ombudsperson will provide quarterly reports on the number of complaints received and the status of each of them to the Chairman/Executive and HRD Committee of the Board through the Managing Director.

9. CHANGES TO THE POLICY

This Policy can be changed, modified, rescinded or abrogated at anytime by the Chairman/Board.

10. RESPONSIBILITIES AND ACCOUNTABILITY

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| Employees/Depositors/ | (i) Avoid anonymity when raising a concern. |
| Borrowers/Shareholders/ | (i) Bring to the early attention of the Bank any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern |
| | (ii) Co-operate with the investigating authorities, maintaining full confidentiality. |
| | (iii) The intent of the Policy is to bring genuine and serious issues to the fore and it is not intended for petty complaints. Therefore frivolous, motivated and vexatious complaints should not be submitted. Malicious allegations by employees may attract disciplinary action. |
| | (iv) A complainant has the right to protection from retaliation. But this does not extend to immunity for complicity in the matters that are the subject of the allegations and investigation. |
| | (v) In exceptional cases, where the complainant is not satisfied with the outcome of the investigation carried out by the Ombudsperson, he/she can make a direct appeal to the Chairman of Saraswat Co-operative Bank Ltd |
| Ombudsperson | (i) Ensure that the Policy is being implemented in the true spirit |
| | (ii) Ascertain prima facie the credibility of the charge. If the initial enquiry indicates that further investigation is not required, close the issue. |
| | (iii) Document the initial enquiry. |
| | (iv) Where further investigation is indicated, carry this forward, through a Committee if necessary. |
| | (v) Acknowledge receipt of the concern to the complainant, |

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| | thanking him/her for the initiative taken in upholding the standards of the Bank's business conduct. |
| | (vi) Ensure that necessary safeguards are provided to the complainant. |
| | (vii) Provide quarterly reports to the Managing Director with a copy to the Executive and HRD Committee of the Board of Directors regarding the complaints received and the status thereof. |
| Ombudsperson / Committee | (i) Conduct the enquiry in a fair, unbiased manner. |
| | (ii) Ensure complete fact-finding. |
| | (iii) Maintain strict confidentiality. |
| | (iv) Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom. |
| | (v) Recommend an appropriate course of action, suggest disciplinary action, including dismissal, and preventive measures. |
| | (vi) Minute the deliberations in the meetings and document the final report. |
| Managing Director | (i) To place the quarterly reports from the Ombudsperson before the Executive and HRD Committee of the Board of Directors. |
| | (ii) Ensure necessary implementation of the Recommendations of the Ombudsperson/ Committee. |
| Subject of Investigation | (i) Provide full co-operation to the Investigation team. |
| | (ii) Be informed of the outcome of the investigation. |
| | (iii) Accept the decision of the Ombudsperson. |
| | (iv) Maintain strict confidentiality. |
| Time Frame | As far as possible all concerns raised by the complainant (whistleblower) should reach a logical conclusion within 60 days, depending on the process of investigation and the implementation of the action, if the concern raised is proved. |

ANNEXURE I**OMBUDSPERSON CONTACT DETAILS****OMBUDSPERSON: SUNITA PARASKAR****CONTACT DETAILS:****ADDRESS**

SARASWAT CO-OPERATIVE BANK LTD
EKANATH THAKUR BHAVAN,
953, APPASAHEB MARATHE MARG,
PRABHADEVI,
MUMBAI 400 025.

TELEPHONE NO.: 022- 66005555**E-MAIL :** corporatecenter@saraswatbank.com

ANNEXURE II

PROCESS FLOW (WHISTLEBLOWER POLICY)

