

The Catholic Syrian Bank Ltd

Whistle Blower Policy

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1. Introduction

- 1.1 Disclosure of information in public interest by all stake holders of an organization is gaining acceptance by public bodies and companies for ensuring better corporate governance standards and probity / transparency in the conduct of the affairs of the organization. Large scale corporate frauds have necessitated, internationally, various legislative measures for safeguarding public interest through enactments.
- 1.2 As a proactive measure for strengthening financial stability and with a view to enhance public confidence in the robustness of the financial sector, RBI has formulated a Policy called "Protected Disclosures Policy for Private Sector and Foreign Banks". This Policy has already been implemented in our Bank and has been published in the Bank's web-site.
- 1.3 With a view to further raise the bar of ethical behavior, the Bank considered it appropriate to provide a channel to its various stake holders, for informing fearlessly any event / information of concern to the designated authority in the Bank. This document is aiming at putting in place a vigil mechanism under the name "Whistle Blower Policy", based on the salient features of the RBI Policy, with a view to enhance public confidence in the Bank and also in compliance of RBI directions in this regard and the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meeting of Board and its powers) Rules, 2014.

2. Objective

- 2.1 The Bank is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Bank encourages its employees and others who have concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment. The policy aims at establishing a Scheme for an efficient vigil mechanism in the Bank to quickly spot aberrations and deal with it at the earliest. The Scheme will be known as "**Whistle Blower Scheme**". It will be disseminated 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.
- 2.2 To provide an avenue for the employees, Directors of the Bank & others to raise concerns about violation of systems and procedures of our Bank, violation of law, questionable business practices or grave misconduct by employees of the Bank that could lead to financial loss or reputation risk to the Bank.
- 2.3 To provide reassurance of protection to the whistle blower from victimization, discrimination or reprisals for having blown the whistle in the interest of the Bank with good faith.
- 2.4 To provide details of reporting, investigating and settlement of the incident.

3. Scope

- 3.1 The complaints / disclosures under the scheme would include the areas such as corruption,

misuse of office, criminal offences, suspected / actual fraud, failure to comply with existing rules and regulations such as Reserve Bank of India Act, 1934, Banking Regulation Act 1949, etc., other applicable laws, rules and regulations and acts resulting in financial loss / operational risk, loss of reputation, etc., detrimental to the interest of the Bank, the depositors and the public.

4. Coverage

- 4.1 Employees covering all the cadres such as Executives, Officers, Clerks / tellers, Sub-staff, etc., including the persons employed by or associated with the Bank on contractual or temporary basis.
- 4.2 Any person such as, Advocate, Valuer on Bank's panel, other professionals such as Chartered Accountants, Concurrent Auditors, Any Service Provider, Recovery / Collection agent / AMC provider or any vendor or customer, who is contractually associated with the Bank.
- 4.3 Any other person associated with the Bank in any capacity like customers, shareholders, NGOs or otherwise.
- 4.4 The Directors of the Bank.

5. The Scheme

- 5.1 Anonymous / pseudonymous complaints / disclosures will not be entertained.
- 5.2 The Bank will keep the identity of the complainant / customer / other person (whistle blower) secret, except in the following cases:
 - (i) The complaint turns out to be vexatious or frivolous and action has to be initiated against the complainant.
 - (ii) The complainant himself / herself has made the details of the complaint public.
 - (iii) Under compulsions of law.
- 5.3 The Bank will be at liberty to take action against the complainants in cases where motivated / vexatious complaints are made under the scheme, by using its own mechanism / the law enforcing agencies as the Bank deems fit.
- 5.4 The Bank will conduct an enquiry / investigation and the complainant will be informed of the action taken within a period of three months. The complainant will be informed even in cases where it is revealed through enquiry / investigation that the complaint is without substance.
- 5.5 Under no circumstances a genuine complainant will be victimized by the Bank. They will be safeguarded from any adverse personal vindictive action.

6. Procedure for Blowing the Whistle

- 6.1 **CIV (CHIEF OF INTERNAL VIGILANCE)** in the Bank, presently, Head – Inspection, Audit & Vigilance, will be the designated official / authority to receive complaints under the scheme. In exceptional cases involving complaints against the MD and CEO, Designated Official / Authority

and or Directors of the Bank, the Chairman of the Audit Committee of the Board may act as the designated official / authority.

- 6.2 The report sent should not be frivolous or malicious.
- 6.3 The complaint should be sent in a closed / secured envelope and should be super scribed "**Complaint under the Whistle Blower Scheme**". If the envelope is not super scribed and closed, it will not be possible for the Bank to protect the complainant under the above resolution and the complaint will be dealt with as per the normal complaint policy of the Bank.
- 6.4 The envelope should be addressed to CIV, The Catholic Syrian Bank Ltd., Head Office, 'CSB Bhavan', Thrissur, Kerala - 680020. The envelope should be super scribed "**Complaint under Whistle Blower Scheme**". In exceptional cases as defined above, the envelope should be addressed to "The Chairman, Audit Committee of the Board, The Catholic Syrian Bank Ltd., Head Office, 'CSB Bhavan', Thrissur, Kerala – 680020.
- 6.5 The complainant should give his / her name and address in the beginning or at the end of the complaint or in an attached letter. In case of an employee making such complaint, details such as name, designation, department, institution and place of posting, etc., should be furnished. However, the same shall be kept strictly confidential.
- 6.6 The identity of the complainant would be confirmed by the CIV by taking a confirmation in writing, mail or by phone that the complainant had indeed sent the complaint and also confirm that the complainant had not made similar / identical allegations of corruption / misuse of office to any other authority to qualify as 'Whistle Blower' complainant. After the identity is confirmed, CIV will ensure that the identity of the Complainant is removed from the body of the complaint and further action on complaint will be initiated.
- 6.7 Complaints can be made through e-mail also giving full details as specified above in the E mail ID civ@csb.co.in In exceptional cases, the e-mail id for sending the complaints to The Chairman of Audit Committee of the Board is, acb@csb.co.in
- 6.8 The complainant should ensure that the issue raised involves dishonest action / practice detrimental to the interest of the Bank / the customers / the shareholders / the employees / the public at large. The complainant is required to study all the relevant facts and understand the significance of the matter and thereafter having satisfied of the misdeed or wrongful act, make the complaint.
- 6.9 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.
- 6.10 While considering the complaint, the designated authority would take no action on complaints relating to administrative matters like recruitment, promotion, transfers and other related issues. However, in case of serious complaints of irregularities in these matters, the same shall be brought to the notice of Chairman of the Audit Committee of the Board for taking appropriate action.

6.11 The Designated Authority shall not entertain or inquire in to any disclosure in respect of which a formal inquiry has already been ordered under Bank's Service Regulations for Employees or matters which are subjudice or being enquired in to by law enforcing agencies.

7. Procedure for receiving complaints

7.1 Complaints under the scheme of the 'Whistle Blower Policy' of the Bank will be received by the CIV from any person, customer or otherwise and /or any Director or member of staff. In instances of complaints received directly by the Chairman of the Audit Committee or Chairman of the Board, they shall, at their discretion, entrust the matter to persons as deemed fit for fact finding.

8. Procedure for maintenance of records.

8.1 CIV will have the responsibility to implement and monitor the scheme. Vigilance Department will maintain a register of such complaints entrusted to them by CIV noting the serial number of the complaint and date of receipt.

8.2 In order to keep confidentiality of the identity, no acknowledgment will be issued to the Complainant on date of receipt of the complaint letter.

8.3 Complaints, if any, received under the scheme, other than by the CIV, shall be forwarded to the CIV with a covering letter in duplicate to serve as acknowledgement for the recipient Department, marked "**Confidential – Complaint under Whistle Blower Scheme**".

8.4 A comprehensive note shall be placed by CIV to the MD & CEO at the end of every quarter with regard to the position of complaints received under the scheme.

9. Procedure for enquiry

9.1 Complaints under the scheme received by the CIV shall be discreetly enquired into immediately. Either as a result of the discreet inquiry or on the basis of the complaint itself, if the Bank is of the opinion that the matter requires to be investigated further, the Managing Director & Chief Executive Officer will get it investigated by the Vigilance or other related Department/s. If such preliminary evaluation reveals the complaints are frivolous / vexatious, the matter would be closed.

9.2 The investigations on such complaints should be completed in three months from the date of receipt of the complaint and put up to MD / Audit Committee of the Board as the case may be.

9.3 The complainants need not enter into any further correspondence with the Bank in their own interest to protect the confidentiality of the identity of the complainant. The Bank assures that, subject to the facts of the case being verifiable, it would take necessary action, as provided under the scheme. If any further clarification is required, the Bank will get in touch with the complainant at the address / phone number / e-mail ID given in the complaint.

9.4 The identity of the complainant will not be revealed unless the complainant himself has made the details of the complaint either public or disclosed his identity to any other authority.

- 9.5 Either as a result of the discreet enquiry, or on the basis of complaint itself without any inquiry, if the Bank is of the opinion that the matter requires to be investigated further, it will call for the comments / response from the concerned official of the Bank against whom the whistle is blown.
- 9.6 All employees of the Bank are duty bound to cooperate with investigation officials. If any employee fails / refuses to cooperate or deliberately conceal any information / document or provides any false or misleading information during the investigation, he shall be subject to disciplinary action as may be deemed appropriate.
- 9.7 After obtaining the response of the concerned official and / or on the basis of an independent scrutiny conducted / ordered by the Bank, if it is of the opinion that the allegations are substantiated, the Bank shall take appropriate action against the concerned officer / employee. These shall, inter alia, include the following:
- (i) Appropriate disciplinary action to be initiated against the concerned official.
 - (ii) Appropriate administrative steps for recovery of the loss caused to the Bank as a result of the corrupt act or misuse of office, or any other offence covered by the scheme.
- 9.8 Recommend to the appropriate authority / agency for initiation of criminal proceedings, if warranted by the facts and circumstances of the cases.
- 9.9 Recommend taking corrective measures to prevent recurrence of such events in future.
- 9.10 Consider initiating any other action that it deems fit keeping in view the facts of the case.
- 9.11 If the complaint is in electronic form the Bank will take the following steps.
- (i) It would ascertain from the complainant whether he / she was the person who made the complaint.
 - (ii) The identity of the complainant will not be revealed unless the complainant himself / herself has made the details of the complaint either public or disclosed his identity to any other authority.

10. Protection available to the complainant

- 10.1 If the complainant is a staff member he / she should give his / her name and address with pin code, phone number and / or e-mail ID, if any, prominently at the beginning or at the end of the complaint or in the covering letter. Details such as name, designation, branch / department at which he / she is working should also be clearly mentioned.
- 10.2 The Bank strictly prohibits any discrimination, retaliation or harassment against any persons who prefers a complaint under this Scheme or reports any incident or who participates in an investigation. Appropriate remedial measures will be taken up to set right such discrimination / retaliation, etc., if any.
- 10.3 If any person is aggrieved by any action on the ground that he is victimized due to filing of the complaint or disclosure, he may file an application before the Managing Director & CEO seeking redressal in the matter. Managing Director & CEO will take such action, as deemed fit. In case such complainant is an employee of the Bank, the Bank will take all measures, preventing initiation of any adverse personal action against the complainant, unless the complaint turns out to be

frivolous or vexatious.

- 10.4 The system evolved herein shall be in addition to any of the existing grievances redressal mechanism in place. However, secrecy of identity shall be observed, only if the complaint is received under the scheme.
- 10.5 In case the Bank finds that the complaint is motivated or vexatious, it shall be at liberty to take appropriate steps including disciplinary / punitive actions.
- 10.6 In the event of the identity of the informant being disclosed in spite of Bank's directions to the contrary, the Managing Director & CEO will be initiating appropriate action as per extant regulations against the person making such disclosure. Managing Director & CEO may also direct such person to suitably compensate the complainant.

11. Incentives / Rewards to the Whistle Blower

- 11.1 The Bank will issue letters of appreciation signed by Managing Director & CEO or consider other forms of recognizing the effort in case of genuine complaint/s proved subsequently on investigation, depending on the magnitude of the loss / damage detected / avoided.

12. Responsibility of Board of Directors

- 12.1 The Board of Directors of the Bank have the responsibility for proper implementation of this "Whistle Blower Policy" in the Bank. The Audit Committee of the Board is authorized by the Board to monitor and review the functioning of the Scheme in the Bank on a half yearly basis.

13. Disclosure in website and Board's Annual Report

- 13.1 The "Whistle Blower Scheme" of the Bank will be disclosed on its website and Intranet and in the Board's Annual Report.
