

**THE MUNICIPAL CO – OPERATIVE
BANK LTD., MUMBAI**

Whistle Blower Policy

Reviewed on 25 July, 2024

WHISTLE BLOWER POLICY

INTRODUCTION

Feedback by Directors/employees/associates is increasingly popular to ensure better governance standards and transparency in the running of the organisations. This Whistle Blower Policy shall govern the subject matter described herein below, however, shall always be subject to applicability of laws and regulations as prevalent from time to time.

The proposed comprehensive Whistle Blower Policy shall be applicable for all bank staff, Board of Directors.

1.0 PREFACE

- 1.1 "The Municipal Co-operative Bank Ltd., Mumbai ("The Bank") believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour.
- 1.2 The Bank is committed to developing a culture where it is safe for all Whistle Blower/s to raise concerns about any poor or unacceptable practice, wrong doings and any incidence of misconduct.
- 1.3 The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects the Whistle Blower wishing to raise a concern about irregularities within the Bank.
- 1.4 The policy neither releases Whistle Blowers from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.
- 1.5 This policy is applicable to all employees and Directors of the Bank, and also to third parties such as suppliers, contractors and vendors, of the Bank.
- 1.6 The Policy has been drawn up so that Whistle Blowers are eligible to make Protected Disclosure. The Protected Disclosure may be on areas of concern affecting the Bank and are summarised in Paragraph 5.



2.0 DEFINITIONS

- 2.1 **"Whistle Blower"** means a Director, an Employee of the Bank making a Protected Disclosure under this Policy. The Whistle-blower/s are not investigators or finders of the facts, neither can they determine the appropriate corrective or remedial action that may be warranted. The Whistle Blower's role is that of a reporting party only.
- 2.2 **"Subject"** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 2.3 **"Audit Committee"** means the Audit Committee constituted by the Board of Directors of the Bank.
- 2.4 **"Bank/Municipal Bank"** means "The Municipal Co-operative Bank Ltd., Mumbai.
- 2.5 **"Employee"** means every employee of the Bank including contractual staff.
- 2.6 **"Third Parties"** means Suppliers, Contractors and Vendors dealing with the Bank.
- 2.7 **"Disciplinary Action"** means any action that can be taken on the completion of/during the investigation, including but not limited to, a warning, recovery of financial losses incurred by the Bank, suspension from official duties or any such action as deemed fit, considering staff Standing Order Rules of Bank.
- 2.8 **"Protected Disclosure"** means a concern raised by a written communication, whether by letter or email in good faith that discloses or demonstrates information that may evidence unethical or improper activity or behaviour. Protected Disclosures should be factual and not speculative or in the nature of a conclusion, and should contain as much specific information as possible to allow for a proper assessment on the nature and extent of the concern and the urgency of an investigation.
- 2.9 **"Reviewing Authority"** means Board of Directors.



3.0 THE GUIDING PRINCIPLES

- 3.1 In order to ensure that Whistle Blower Policy is adhered to, and to assure that the concern/disclosure will be acted upon seriously, the Bank will :-
- a. Ensure that the Whistle Blower and/or the persons processing the Protected Disclosure is not victimized.
 - b. Treat victimisation or Whistle Blower as a serious matter including initiating disciplinary action against person (s) causing or allowing victimization of Whistle Blower ;
 - c. Ensure complete confidentiality of identify of Whistle Blower, unless as required under applicable laws and regulations;
 - d. Not attempt to conceal evidence of the Protected Disclosure ;
 - e. Take discipline action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made ;
 - f. Provide an opportunity of being heard to the persons involved especially to the Subject ;

However, reporting a concern does not automatically provide immunity to the Whistle Blower, if the person himself/herself is a party to the offense.

Disqualifications

- While it will be ensure that genuine Whistle Blower are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- Protection under this policy would not mean protection from disciplinary action arising out of false or bogus allegation made by a Whistle Blower knowing it to be false or bogus or with a mala fide intention.

4.0 COVERAGE OF POLICY

- 4.1 The Policy covers malpractices and events which have taken place/suspected to have taken place involving, but not limited to ;



- a. Abuse of authority
- b. Breach of contract
- c. Manipulation of Bank data/records
- d. Financial or compliance irregularities, including fraud, or suspected fraud
- e. Criminal offence having repercussions on the Bank or its reputation.
- f. Pilferation of confidential/proprietary information
- g. Deliberate violation of law/regulation.
- h. Misappropriation or misuse of Bank funds/assets
- i. Breach of employee Code of Conduct or Rules/Standing Order
- j. Graft/Bribery/Corruption
- k. Leak of Unpublished Sensitive Information (UPI) or Suspected leak of UPI
- l. Any other unethical, imprudent deed/behaviour.

- 4.2 Whistle Blower Policy should not be used as a route for raising malicious or unfounded allegations against colleagues.

5.0 PROTECTION

5.1 Protection to Whistle Blower :

- a) Bank will protect Whistle Blower from Unfair Treatment by virtue of his/her having reported a Protected Disclosure under this Policy.
- b) The Bank, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice adopted against Whistle Blower.
- c) Whistle Blower will be protected against any unfair practice like retaliation, threat or intimidation or termination/suspension or service, disciplinary action, transfer, demotion, discrimination, any type of harassment, biased behaviour or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties/functions including making further Protected Disclosure.
- d) The Bank will take steps to minimize difficulties, which the Whistle Blower may experience because of making the Protected Disclosure.



- 5.2 The identity of the Whistle Blower shall be kept confidential at all times, unless as required under applicable laws and regulations.
- 5.3 Bank will protect any other Employee/Third Party assisting in the said investigation or furnishing evidence to the same extent as the Whistle Blower.
- 5.4 Protection under this Policy is available provided that :
- a) The communication/disclosure is made in good faith;
 - b) Whistle Blower is not acting for personal gain or animosity against the Subject.
- 5.5 If any person is aggrieved by any action on the ground that he/she is being victimized due to the fact that he/she filed a complaint or protected disclosure, he/she may file an application before the General Manager/ Head of Administration department.
- 5.6 Whistle Blower, who make any protected Disclosures, which have been subsequently found to mala fide, frivolous or malicious, shall be liable to disciplinary action under Bank's Code of Conduct/Standing Orders.
- 6.0 PROTECTED DISCLOSURE**
- 6.1 All Protected Disclosures can be made in the following manner :
- a) By writing an email addressing to whistleblower@mcbbank.co.in and the subject of email to be mentioned as "Private and Confidential."
 - b) By sending a complaint letter in a sealed envelope marked "Private and Confidential" to the General Manager/ Head of Administration department to the following address :
General Manager,
The Municipal Co-operative Bank Ltd, Mumbai
Municipal Bank Bhavan,
245, P.D'mello Road, Fort,
Mumbai - 400 001.
- 6.2 If the Protected Disclosure received through email ID whistleblower@mcbbank.co.in either General Manager/ Head of Administration department and/or by designated employee within of the Bank will access the Whistle Blower email.



- 6.3 General Manager/ Head of Administration department, on receipt of the complaint, arrange to verify the identity of the whistle blower.
- 6.4 Suitable proof of Whistle Blower's identity/contact numbers/full postal address is to be provided by the Whistle Blower so that additional information, if any, can be obtained. In case identity of the Whistle Blower is not provided, the complaints will be treated as anonymous/pseudonymous complaints, and may not attract further action.
- 6.5 Only on being satisfied that the disclosure has verifiable information, necessary enquiry/investigation will be conducted with regard to the complaint.
- 6.6 The disclosure whether by letter/e-mail should provide specific and verifiable information respect of the "Subject".
- 6.8 In exceptional cases, one may directly approach Chairman of the Audit Committee of the Board.
- 6.9 Administration Department unit will maintain record of all Protected Disclosures and Reviewing Authority will conduct an independent review yearly.
- 6.10 In order to protect the identity of the Whistle Blower, Bank will not issue any acknowledgement of receipt of the complaint. 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, General Manager/ Head of Administration department or designated officials will get in touch with the Whistle Blower.
- 6.11 In case there is an act committed by the incumbent managing the Fraud Risk Management/ General Manager/ Head of Administration department, the Whistle Blower can escalate the same to the Chairman-The Municipal Co-operative Bank Ltd., Mumbai
Chairman,



7.0 INVESTIGATION

- 7.1 In this regard, the Vigilance team/Audit Department may perform all such acts as it may deem fit at its sole discretion, including, but not limited to the following functions:
- a) obtain legal expert view in relation to Protected Disclosure;
 - b) appoint external agency to assist in investigation;
 - c) seek assistance of internal auditors/concurrent auditor;
 - d) seek explanation or solicit Subject's submission on Protected Disclosure or give reasonable opportunity to respond to Subject on material findings contained in an investigation report.
 - e) request for any information/document and explanation from any employee of the Bank or third parties as they may deem appropriate for the purpose of conducting an investigation.
 - f) In case, vigilance is unable to complete the enquiry/investigation within prescribed timeline, interim report should be submitted to the Board Meeting giving inter alia, the tentative date of completion.
 - g) 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.
 - h) 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.
 - i) If the identity and contact details of the Whistle Blower is available, Bank will inform progress and final outcome of the investigation, within the constraints of maintaining confidentiality.



- j) In case the Protected Disclosure made does not have any specific & verifiable information, the General Manager/ Head of Administration department is authorized not to take any action. This would be suitably recorded and placed before the Board/ACB ("Audit Committee of the Board")
- k) In case of repeated frivolous complaints being filed by a Director or an employee or other person allowed under his Whistle Blower Policy, the ACB may take suitable action against the concerned Director or employee or such other including reprimand.
- 7.2 Subject shall co-operate with the investigator and not interfere or obstruct with the investigation process.
- 7.3 Conduct Investigation within prescribed timeline from the date of receipt of complaint as below :
- 7.3.1 All Non advances cases to be investigated within three months.
- 7.3.2 All advance cases with sanction value upto INR 1 crore to be investigated in three months.
- 7.4 Once the enquiry is convened, the investigator shall make an assessment on the Protected Disclosure whether the Bank has a duty to make a report to any regulatory or enforcement authority under any law or regulation.
- 7.5 Once an investigation is complete, a detailed report shall be prepared after completion of the Investigation and shall include appropriate recommendation for the management to take action on the Subject. The report shall be placed by the management at an ACB or Board meeting for review by the members of the respective committee. The ACB or Board may suggest suitable action against the Subject, as it deems necessary. Provided that if any of the members of the ACB or Board have a conflict of interest in a given case, they should recuse themselves and the others on the ACB or Board would deal with the matter on hand



8.0 SECRECY/CONFIDENTIALITY

The Whistle Blower, the subject and vigilance team and everyone involved in the process shall:

- a) maintain complete confidentiality/secretcy of the matter.
 - b) not discuss the matters in any informal/social gatherings/meetings/social media.
 - c) discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
 - d) maintain records in a secured environment.
 - e) only General Manager/ Head of Administration department can access Protected Disclosure received through written communication and received through email ID whistleblower@mcobank.co.in
 - f) No other department in the Bank can have access to Protected Disclosure through any mode.
- Non compliance of the above process may lead to disciplinary action by the Bank.

9.0 REPORTING

General Manager shall report status of all Whistle Blower cases/ Protected Disclosure (including NIL report) to the Audit Committee of the Board, together with results of investigations and an update on the actions taken by the management half yearly.

10.0 RETENTION OF DOCUMENTS

All documents including the investigation reports relating to Whistle Blower cases/Protected Disclosures shall be retained by the Bank for a minimum period of 5 (five) years for the date of investigation report or mentioned in applicable law, if any.



11.0 AMENDMENT

General Manager in consultation with Head of administration Department may amend Whistle Blower Policy from time to time and place before Audit Committee & Board of directors.

12.0 Classification of Policy :

The policy will be classified as public document & would be displayed on the Bank's Internet Website.

