

WHISTLE BLOWER POLICY

PREAMBLE

The Bank is committed to the highest standards of ethics, integrity & professionalism in all its activities & operations that it conducts and has defined systems & procedures in place to root out malpractices, corruption and abuse of authority by any staff member. The Bank encourages an open and transparent system of working and dealings between the members of staff, customers and general public coming in contact with the Bank.

Whistle blower policy is fundamental to the Bank's professional integrity. It provides a method of properly addressing bona-fide concerns that stakeholders might have, while also offering protection to whistleblowers from victimization, harassment or disciplinary proceedings.

This policy aims at putting in place a vigil mechanism based on the salient features of the RBI Master Directions dated 01.07.2016 issued under Section 35A of the Banking Regulation Act, 1949, Provisions of Section 177 of the Companies Act, 2013 and Guidelines dated 17.04.2014 issued by Securities and Exchange Board of India (SEBI) regarding Clause 49 of Listing Agreement between the listed entity and stock exchange.

OBJECTIVE

- To encourage and enable directors and employees to raise serious concerns, grievances about any unacceptable practice or any event of misconduct, irregularities, governance weaknesses, financial reporting issues within the Bank. The policy provides a framework to promote responsible and secure whistle blowing.



- To ensure that adequate mechanism is in place to address the complaints related to any wrong doing, misconduct, irregularities, governance weaknesses, financial reporting issues, violation of provisions of applicable laws, etc.
- To provide reassurance of protection to the whistle blower from victimization, discrimination or reprisal for having blown the whistle in the interest of the Bank with good faith.

SCOPE

The policy shall cover malpractices and events which have taken place / suspected to take place, detrimental to the interest of the Bank involving the undernoted acts:

- Criminal offence (e.g. fraud / suspected fraud, malpractice, manipulation and theft) committed / likely to be committed.
- Corruption, including bribery and money laundering.
- Non-compliance with the Bank's internal or external regulations / guidelines.
- Abuse of Authority at any level.
- Manipulation of Bank's data or record.
- Acts resulting in financial loss / operation risk, loss of reputation etc.,
- Any other unethical practices or events.

APPLICABILITY

The policy is applicable to all Directors and Employees of the Bank.



PROCEDURE FOR LODGING COMPLAINT UNDER WHISTLE BLOWER POLICY

1. The complaint should be in a closed / secured envelope.
2. The envelope should be addressed to:

The General Manager (Inspection),

(Nodal Officer)

**Punjab & Sind Bank,
HO Inspection Department,
Bank House, 21 Rajendra Place,
New Delhi – 110008.**

3. The Complaint should be superscribed as "Complaint under Whistle Blower Policy". If the envelope is not superscribed and closed, it will not be possible to protect the complainant under the policy and the complaint will be dealt with as per the normal complaint policy of the Bank.
4. The Whistle Blower complaint can also be sent to the designated email ID: whistle.blower@psb.co.in (Access to this email ID is restricted to Nodal Officer only).
5. The Complainant shall give his / her name and address in the beginning, or at the end of the complaint or in a separate sheet along with PF code, present place of posting and contact number.
6. 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.
7. Anonymous / pseudonymous complaints shall not be entertained.
8. In appropriate and exceptional cases, direct access can be provided to the Chairman, Audit committee of the Board. Such exceptional cases will be examined by the Nodal Officer and put upto the MD & CEO for approval.



PROCEDURE OF HANDLING THE COMPLAINT UNDER WHISTLE BLOWER POLICY

1. General Manager (Inspection) shall be the Nodal Officer for all complaints received under Whistle Blower policy and will have the responsibility to implement and monitor the policy.
2. A register of Whistle Blower Complaints will be maintained noting complete details such as serial number of the complaint, date of receipt, disposal of complaint etc.
3. The Nodal Officer on receipt of the complaint, with approval of the MD & CEO, arrange for investigation into the matter and ensure that the investigation would be conducted in a fair manner, without any bias.
4. In case of a complaint / grievance against the Directors, the investigation of the matter can be arranged with the approval of the Chairman of the Audit committee of the Board.
5. The identity of the complainant would be confirmed by the Nodal Officer by taking a confirmation in writing that the complainant had indeed sent the complaint and also confirms that the complainant had not made similar / identical allegations of corruption / misuse of office to any other authority to qualify as 'Whistle Blower' complaint. After the identity is confirmed, Nodal Officer 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. The Nodal Officer shall, before starting investigation, take note of the following:
 - a. Whether the same complaint was raised earlier by anyone, and if so, the outcome thereof.
 - b. Whether any complaint was raised earlier on the same subject.



- c. Whether any formal enquiry on concerned complaint 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.

(If any of the above points froma toccome to the knowledge of the Nodal Officer, he / she will take the decision with regard to treating the complaint under Whistle Blower Mechanism or otherwise on merits)

7. Investigations will be conducted only after a preliminary review which establishes that:

- i. The alleged act constitutes an improper or unethical activity or conduct.
- ii. Allegations are supported by information specific enough to be investigated.

8. Nodal Officer may refer the complaint to any internal investigation team for the purpose of investigation without disclosing/sharing the details of the complainant.

9. The Nodal officer shall prepare a written report of the findings and outcomes of investigation. The report shall be submitted to Chairman, Audit Committee of the Board.

10. The Whistle Blower Complaints are to be scrutinized by the Fraud Monitoring Group (FMG) of the Bank.

11. The Nodal Officer shall brief the Audit Committee of the Board on quarterly basis on number of complaints, key complaints and action taken summary. The minutes of the same would be placed before the Board of Directors.

12. The Whistle Blower and everyone involved in the process shall

- a) Maintain complete confidentiality / secrecy of the matter.
- b) Not discuss the matter in any informal / social gatherings / meetings.



- c) Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
 - d) Not keep the papers unattended anywhere at any time.
13. While considering the complaint, the Nodal Officer 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 the Chairman, Audit Committee of the Board for taking appropriate action.
14. If any investigation leads to the conclusion that an improper or unethical act has been committed, the case shall be referred to the concerned Disciplinary Authority to initiate necessary course of action.

PROTECTION AVAILABLE TO THE COMPLAINANT UNDER WHISTLE BLOWER POLICY

1. In order to protect identity of the person, the Bank will not issue any acknowledgement and the whistle-blowers are advised not to enter into any further correspondence with the Bank in their own interest. The whistle-blower shall however be advised that in case he intends to send reminder, he should follow the same procedure of correspondence as envisaged above.
2. The Bank assures that, subject to the facts of the case being verifiable, it would take necessary action, as provided under the policy. If any further clarification is required, the Bank will get in touch with the complainant at the address, contact number given in the complaint.
3. The identity of the Whistle Blower, who makes the complaint in good faith, will be protected and shall be kept confidential, except in 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 or herself has made the details of the complaint public.
 - iii. Under compulsions of law.
4. Complete protection will be given to Whistle Blower against any disciplinary action, transfer, discrimination, any type of harassment etc. However, the employee/ officer shall not be protected for his / her misconduct, which does not relate to the disclosures, made as a whistle blower.
 5. Any other employee assisting in the said investigation or furnishing evidence shall also be protected to the extent as the Whistle Blower.

GENERAL

1. The Whistle Blower who makes three or more complaints and all of which are subsequently found to be mala-fide shall be disqualified to report further complaints under the policy.
2. Any false or bogus allegations made by a Whistle Blower, knowing it to be false or bogus or with a mala fide intention, shall be subject to disciplinary action.
3. Action can also be taken against complainants making motivated / vexatious complaints under this policy.
4. Any amendments to this policy, where it is considered appropriate to do so, shall be approved by the Audit Committee of the Board.
5. All protected Disclosures along with the results of investigation relating thereto shall be retained by the Bank for a minimum period of 5 years.



CONFLICTS OF INTEREST

1. Where a Protected Disclosure concerns Nodal Officer or any member of Audit Committee of the Board, Nodal Officer or that member of Audit Committee of the Board shall be prevented from acting in relation to that Protected Disclosure.
2. In case of doubt, the Chairman of the Audit Committee of the Board shall be responsible for determining whether Nodal Officer or that member of Audit Committee of the Board must recuse himself or herself from acting in relation to a Protected Disclosure.

DISCLOSURE

The details of establishment of "Whistle Blower Mechanism" of the Bank shall be disclosed on Website and in the Board's Report.

