



कोकण बँक KOKAN BANK کوکن بینک™  
KOKAN MERCANTILE CO-OP. BANK LTD.  
MULTI STATE BANK  
*Multiplying Trust... Multiplying Prosperity!*

# August 2024

**Whistle Blower Policy**

**Version Control:**

| Version | Author            | Reviewer             | Approver           | Approval Date | Summary of Changes |
|---------|-------------------|----------------------|--------------------|---------------|--------------------|
| 0.1     | Tabrez Abdulhamid | Executive Management | Board of Directors |               | New Document       |
|         |                   |                      |                    |               |                    |
|         |                   |                      |                    |               |                    |
|         |                   |                      |                    |               |                    |

**Policy Governance:**

|                     |  |
|---------------------|--|
| Frequency Of Review | Quarterly or as and when required                              |
| Last reviewed on    |  |
| Approval Path       | Audit Committee of Executives→ Audit Committee of Board→ Board |
| Supersedes          | RBI Policy issued on - (Name and Date)                         |

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# INTRODUCTION

## Background

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 wrongdoing, misconduct, irregularities and commitment 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.

Latest RBI Guidelines.

RBI has in its Master Directions (MD) on Fraud Risk Management in Urban Cooperative Banks (UCBs) dated 15th July 2024 has given specific instructions for a “Whistle Blower Mechanism” for the employees of the organizations, given in point no 2.5 of the MD which is highlighted as under:

2.5 Cooperative Banks shall put in place a transparent mechanism to ensure that Whistle Blower complaints on possible fraud cases / suspicious activities in account(s) are examined and concluded appropriately under their Whistle Blower Policy.

## Objective

The objective of this policy is to: Encourage and enable directors, employees to raise serious concerns, grievances about any unacceptable practice or any event of misconduct, irregularities, governance weaknesses, financial reporting issues within the Company. The policy provides a framework to promote responsible and secure whistle blowing. Ensure that adequate mechanism is in place to address the complaints related to wrong-doing, misconduct, irregularities, governance weaknesses, financial reporting issues e.g. mis-selling, corrupt business practice, violation of provisions of applicable laws, leak of Unpublished Price Sensitive Information (UPSI), etc.

## **Applicability**

The policy is applicable to all directors, employees, including deputed from Group Companies, vendors, channel partners and distributors of the Company. The policy applies to questionable acts that affect customers, company, or employees, including, but not limited to: Breach of Business Practices and Company's Code of Conduct Non-compliance with the Company's internal or external regulations by any employee Corruption, including bribery and money laundering Fraudulent practices, such as improperly tampering with books and records of the company, and theft of the property of the company Manipulation of Company's data or record or pilferage of confidential information. Instances of leak of Unpublished Price Sensitive Information Any other unethical practices or events.

## **Review and Approval of the Policy**

The policy will be reviewed by Board Audit Committee and will be recommended to the Board of Directors for approval, at least Quarterly or as and when required. Adherence to this policy and all resulting standards, procedures and guidelines is the responsibility of all directors and employees. Enforcement of this policy is the responsibility of the Board Audit Committee with the support of the Compliance Team Any non-adherence to the policy, shall be reported to the Board Audit Committee and necessary action may be taken in this regard. The Chairman & CEO is authorized to make any amendments to this Policy at any time, where it is considered appropriate to do so subject to ratification of the said changes by the Board Audit Committee / the Board.

## POLICY REQUIREMENTS

### Reporting Mechanism

Whistle Blower can make Protected Disclosure as soon as possible but not later than 30 calendar days after becoming aware or suspect of any fraud or any event of misconduct, irregularities etc. Directors, employees, vendors, channel partners and distributors shall communicate the complaints in any of the below mentioned manner:

- A closed/ sealed envelope, marked “Disclosure under Whistle Blower Policy” addressed to the Compliance Officer of the company
- E-mail to the designated email ID: [whistleblower@kokanbank.in](mailto:whistleblower@kokanbank.in).
- Direct e-mail to the Compliance Officer stating it as “Whistle Blower Complaint”
- Employees at the Head Office of the company can either drop their complaints at the “Whistle Blower Box” (maintained at the Head Office) or communicate to the Compliance Officer via e-mail. In case identity or contact details of the Whistle Blower cannot be ascertained due to absence /incorrectness of the same, the complaint will be treated as anonymous/ pseudonymous and it may not attract further action.
- Access to whistle blower email ID is restricted to members of the whistle blower investigation cell.
- The direct access will be provided to the chairman of the Board Audit Committee in appropriate or exceptional cases.

### Investigation

The Compliance Officer shall on receipt of the complaint seek approval of the Chairman & CEO, arrange for investigation into the matter and ensure that the investigation is conducted in a fair manner, without any bias.

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 Board Audit Committee.

Investigations will be launched only after a preliminary review which establishes that:

- i. the alleged act constitutes an improper or unethical activity or conduct,
- ii. allegation is supported by information specific enough to be investigated

The Appropriate Authority, with inputs from Compliance, may, depending on the case, initiate investigation for any whistle blower complaint, even if the above is not established.

## ***Whistle Blower Policy***

The case may be referred to any internal investigating team or external investigation agency for the purpose of investigation. Necessary care has to be ensured that:

- i. protected disclosure is shared with investigating team/agency strictly on need to know basis only
- ii. identity of the whistle blower is not disclosed/shared

Investigators shall have timely and unrestricted access to any information/records required for investigation, fact-finding and analysis. Technical and other resources may be drawn as and when necessary to augment the investigation.

A time frame of maximum 45 days will be permitted to complete the investigation. 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.

The Compliance Officer shall prepare a written report of the findings and outcomes of investigation. The report shall be submitted to the Audit Committee, Chairman & CEO.

a. In case of a complaint/grievance against the Directors, the report of the findings and outcomes of investigation shall be submitted directly to Chairman of the Board Audit Committee.

b. If an investigation leads to conclude that an improper or unethical act has been committed, the case shall be referred to the Disciplinary Committee/Audit Committee/Board, as applicable to initiate necessary course of action.

Action taken update shall be provided by Disciplinary Committee to Compliance for records.

The whistleblower's role is that of a reporting party with reliable information. They are not required or expected to determine the appropriate corrective or remedial action that may be warranted in a given case.

The Compliance Officer shall maintain a record of all Protected Disclosures. The Compliance Officer shall, before starting investigation, take note of the following:

a) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof?

b) Whether any Protected Disclosure was raised previously against the same Subject?

In case the case is being investigated under the whistle blower policy, no separate investigation shall be conducted by any other investigation team without approval of the

## ***Whistle Blower Policy***

Competent Authority or the Compliance Officer. The investigation findings by the said team, if any, shall be shared with the Whistle Blower Investigation Cell.

### **Protection and Confidentiality**

#### **Conflict of Interest**

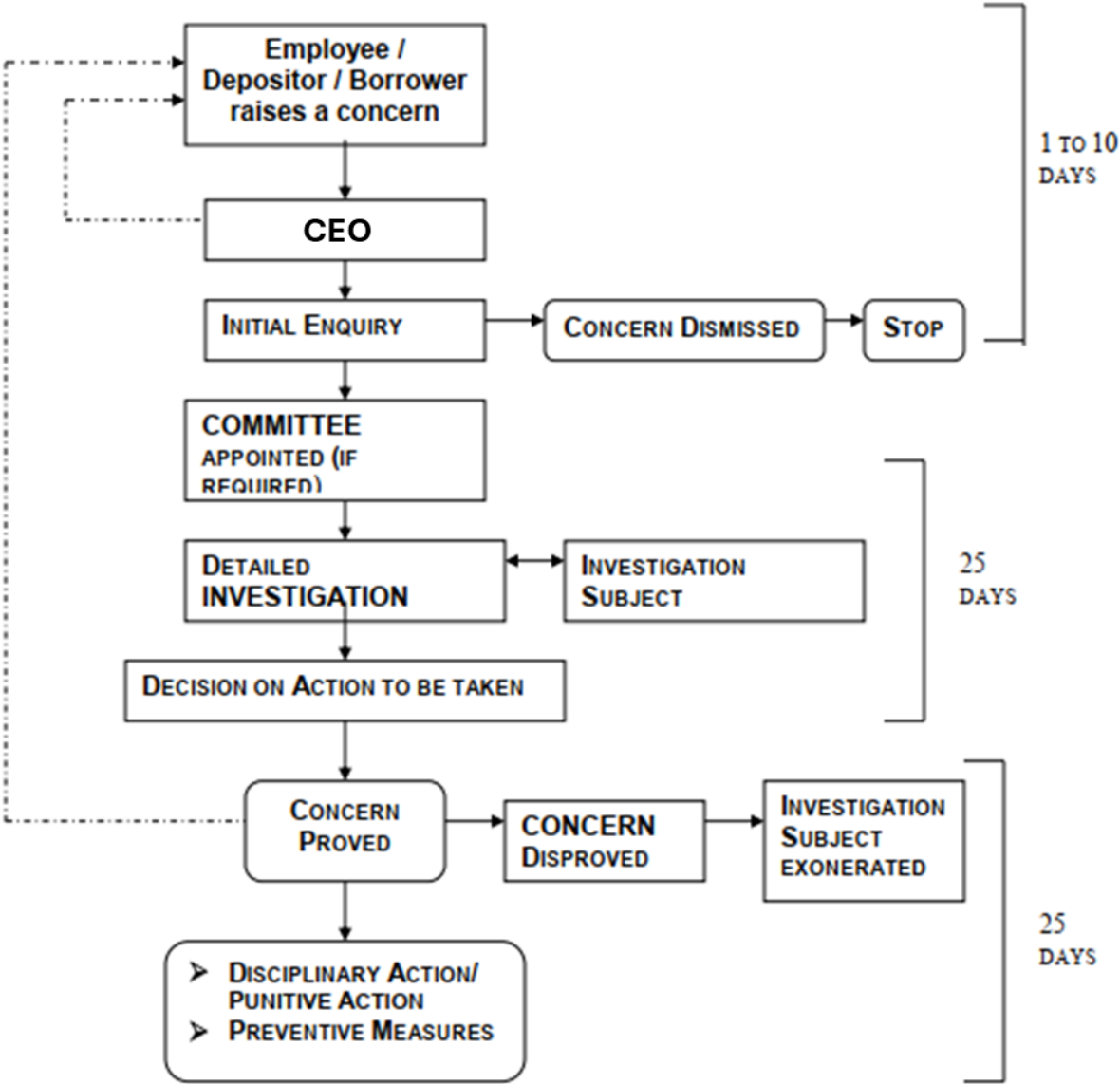
#### **General**

#### **Responsibilities**

## **PROCESS FLOW**



**PROCESS FLOW (WHISTLEBLOWERPOLICY)**



**REPORTING**

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

**Format for Disclosure**

The Chairman  
Audit Committee of Board  
Kokan Mercantile Cooperative Bank Ltd  
Head Office, Harbour Crest, Mazgaon T T, Diagonal to GST Office  
Mumbai, Maharashtra - 400010

Dated:

Subject: Disclosure under the provisions of Whistle Blower Policy

Personal Information of the Whistle Blower:

1. Name:
  
2. In case disclosure made by staff
  - (a) Employee. ID \_\_\_\_\_
  - (b) Present Postings at Branch/Office \_\_\_\_\_ HO \_\_\_\_\_
  
3. Mobile \_\_\_\_\_ email \_\_\_\_\_
  
4. Details of complaint as per sheet
  
5. Whether similar complaint made to any other authority of matter sub-judice as per knowledge

Declaration: I declare that the above information is furnished by me under whistle blower policy of the Bank in good faith and not for any personal gain. Further I reasonably believe that information and allegation contained in my submission is substantially true.

Signature of Whistle Blower

\*Copy of ID proof must be enclosed along with Complaint Form

**Reporting Violation**

**Whistle Blower Policy**

To: Value Standards Committee <at Group/ Business or Unit level>:

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Please select the applicable incident type(s) from the list below that best describes the issue(s) you are reporting.  
Please note that multiple issues can be selected.

- 1. Misappropriation of company assets or resources
- 2. Conflict of interest
- 3. Inappropriate sharing of confidential information
- 4. Financial fraud of any nature
- 5. Violation of gifts and entertainment policy
- 6. Non-adherence to safety guidelines
- 7. Inaccurate financial reporting
- 8. Bribery & Corruption
- 9. Insider trading
- 10. Other forms of Harassment – Victimization, Bullying, Discrimination etc.
- 11. Social Media Usage
- 12. Misuse of authority
- 13. Environment, health and safety
- 14. Concurrent employment
- 15. Others \_\_\_\_\_

**Investigating Questionnaire**

**Whistle Blower Policy**

When did the incident occur? (Please provide tentative date if you do not know the exact date) \_\_\_\_\_

Please confirm the location of the incident  
\_\_\_\_\_

How did you find out about this incident?  
\_\_\_\_\_  
\_\_\_\_\_

How long has this been occurring for?

- Less than a month
- 1-6 months
- 6-12 months
- Greater than 12 months

Please provide a detailed description of the incident. To enable your company to act on your complaint, you are requested to provide specific information where possible including names, location, date, time etc. Please note that this field is limited to 5,000 characters.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Do you have any evidence in support of your allegations?**

- Yes
- No

**Is anyone else aware of this incident?**

- Yes
- No

**Is there any additional information that would facilitate the investigation of this matter?**

- Yes

**Whistle Blower Policy**

No

**Have you reported this incident to anyone in the company?**

Yes

No

Date:

Location:

Name of the Person reporting  
(optional):

Contact Information (incl email  
optional):

**RECORD KEEPING**

All documents shall be preserved for a period as specified in the applicable regulations and as per Board approved Record Maintenance and Document Retention Policy.

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***Whistle Blower Policy***