



[Registered Office: G.B. Pant Road, Nainital, Uttarakhand-263001]

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**The Nainital Bank Whistle Blower Policy (v.2025)
(For Employees and Directors)**

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The Nainital Bank Limited Whistle Blower Policy
(For Employees and Directors)

A. PREAMBLE:

As a proactive measure for strengthening financial stability and with a view to enhancing public confidence in the robustness of the financial sector, Reserve Bank of India had formulated a scheme called "Protected Disclosures Scheme for Private Sector and Foreign Banks-2007". It was advised by Reserve Bank of India to the private sector and foreign banks operating in India to frame a Board approved policy in light of the broad framework given by the Reserve Bank of India given in said scheme.

Our Bank is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. To maintain these standards, the Bank aims to encourage its directors and employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

The Bank has therefore formulated, 'Whistle Blower Policy for its Employees and Directors' to promote Corporate Governance, instill faith and empower its employees and Directors to blow the Whistle against acts of wrong doing to the Designated Authority/ Chairperson, Audit Committee without any fear of reprisal.

B. I. OBJECTIVE:

- a. To build and promote a robust Whistle blowing mechanism in the Bank.
- b. To have a platform for employees and Directors for reporting of genuine complaint/ disclosure.
- c. To empower and encourage the employees and Directors to report genuine complaint/ disclosure.
- d. To ensure adequate safeguards to Whistle Blowers against subsequent probable risk of victimization, harassment, discrimination or disadvantage.
- e. To provide Whistle Blowers a direct access to the Designated Authority and / or Chairperson of the Audit Committee of the Board.

II. SHORT TITLE, EXTENT AND COMMENCEMENT:

1. This Policy may be called the "**Whistle Blower Policy (For Employees and Directors)**"
2. It extends to all existing employees [including employees who shall join hereafter and also employees on contract with the Bank], of the Nainital Bank Limited in all cadres, working in any of the office/ Branch office of the Nainital Bank Limited, present and future and the directors of the Bank.
3. It will remain in force unless substituted.

C. SCOPE:

The Policy shall cover complaints/ disclosures made by the Bank's employees and Directors only and exclude the complaints/disclosures by those other than Bank's employees and Directors including complaints/disclosures received from ex-employees, relatives of employees, customers, vendors, third party entities.

- Following complaints/ disclosures shall be covered under the Policy. The list is illustrative and not exhaustive.
 - a. Corruption: Accepting consideration in cash or kind from Customers/ middlemen for favorably considering credit proposals or any other pecuniary benefits/ facilities from our Bank, for which they are otherwise ineligible as per extant rules, or undeserving or there are cogent grounds or reasons for them not to get the said benefits/ facilities from our Bank
 - b. Misuse of Office: Misuse of Discretionary Lending/ Administrative powers.
 - c. Unauthorized debits/ credits to any accounts.
 - d. Obtaining personal gains for settling genuine claims of Customers.
 - e. Misuse of premises for unauthorized/ illegal activities.
 - f. Misuse of cash of our Bank by employees/ Custodians for personal gains.
 - g. Criminal offenses or unlawful activities, and activities which otherwise amount to serious improper conduct.
 - h. Suspected or actual fraud.
 - i. Failure to comply with existing rules and regulations resulting in financial loss or operational risk, loss of reputation and activities which are not in line with the Bank's policies.
 - j. Incorrect financial reporting.
 - k. Manipulation of data/ documents.
 - l. Leakage of sensitive information, breach of any Policy, abuse of power and authority by any Official of the Bank or any other act with an intention of unethical personal gain or to cause damage to the Bank and procedures leading to reputational/ financial loss to the Bank.
 - m. Any other matters raising doubt on the individuals' integrity or honesty leading to corruption, misuse of Office or gross violation of Systems and procedures leading to reputational/ financial loss to the Bank.
- Anonymous/ pseudonymous complaints/ disclosures shall not be entertained under this Policy.
- Employment related concerns i.e. salary, perquisites, leave, Leave Travel Concession, promotion, transfer, performance appraisal, incentive etc. should be reported through normal channel meant for the purpose and are not covered under this Policy. Such issues shall be treated as closed ab initio without any communication/ correspondence with the complainant.
- The Policy shall not cover complaints/ disclosures made by the general public under Public Interest Disclosure and Protection of Informers (PIDPI) Resolution-2004.

D. INTERPRETATION:

In this Policy, unless there is anything repugnant in the subject or context, the definitions of some of the key terms used in this policy are given below:

- a. "**Bank**" - means "The Nainital Bank Limited"
- b. "**Audit Committee**" means the Audit Committee constituted by the Board of Directors.
- c. "**Employee**" means every Workman / Officer of the Bank
- d. "**Director**" means and includes Whole Time Directors and Non-Executive Directors.
- e. "**Code of conduct**" means the applicable Service Conditions including Disciplinary and Conduct rules as applicable to Officers and Award staff.
- f. "**Designated Authority**" means the Head of the Vigilance Department of the Bank.
(Annexure A- Duties and Responsibilities of Designated Authority)
- g. "**Investigators**" means those persons authorized, appointed, consulted or approached by the Designated Authority /Audit Committee and include the Officers of Vigilance Department, Auditors of the Bank and the Police.
- h. "**Protected Disclosure**" means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity as per this Policy.
- i. "**Subject**" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- j. "**Whistle Blower**" means an employee or Director of the Bank lodging a complaint or making a Protected Disclosure under this Policy.
- k. The use of any **Gender** in the policy or use of **singular** or **plural expression** shall be understood to mean the appropriate Gender or singular or plural expression, with reference to the context of text of any particular clause of the Policy.
- l. It is further clarified that any term, though used in the Policy but not defined heretofore, shall have the meaning as assigned in applicable laws connected with subject of Policy.

E. STAFF EMPOWERMENT:

This Policy is an extension of the Code of Conduct as in force in Bank. The Whistle Blower's role is that of a reporting party with reliable information with supportive evidence. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers provide initial information related to a reasonable belief that an improper or unethical practice has occurred.

Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Designated Officer or the Chairperson of Audit Committee or the Investigators.

To empower and encourage the employees to report improper or unethical practice, the Bank shall ensure following:

- a. That genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- b. Complaints / Disclosure will be appropriately dealt with by the Designated Authority/ Chairperson of Audit Committee, as the case may be.
- c. That the identity of the whistle blower shall not be disclosed without his/her consent in writing. 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/she should follow the same procedure of correspondence as envisaged in this policy.
- d. If the identity of the complainant is disclosed in violation of the policy guidelines, the Chairperson of Audit Committee of the Board shall be empowered to recommend appropriate action against the individual responsible for the disclosure, including the Designated Authority, if involved. The Designated Authority shall be held accountable and also liable for strict action for disclosure of confidential information of the whistle blower such as name of the complainant, subject of the complaint, complaint matter etc.

Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a malafide intentions. Whistle Blowers, who make three or more Protected Disclosures, which have been subsequently found to be malafide, frivolous, baseless, and malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistle Blowers, the Bank/Chairperson, the Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

F. PROCEDURE FOR LODGING THE COMPLAINT/DISCLOSURE UNDER THE POLICY:

- i. All Complaints/ Disclosures concerning those related to scope should be addressed to the Designated Authority for investigation.
However, in respect of Complaints/Disclosures, those concerning the Designated Authority and Directors should be addressed to the Chairperson of the Audit Committee of the Bank and those concerning other employees should be addressed to the Designated Authority. Further, if any of the members of the ACB have a conflict of interest in a given case, they should recuse themselves and the others on the committee would deal with the matter on hand.
- ii. If a Complaints/Disclosures is received by any Executive of the Bank/Vigilance Department of the Bank other than Designated Authority, the same should be forwarded to the Designated Authority for further appropriate action. They must take appropriate care so that the identity of the Whistle Blower does not get divulged in the process.

- iii. Complaints/Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or Hindi of the Whistle Blower. The complainant should give his/her name, Employee ID, Present Place of Posting, Designation, Contact Number, email-ID and address, etc. in the beginning or end of the complaint in the format prescribed in Annexure-B consisting of Part A-Covering letter and Part-B-Complaint sheet.
- iv. The complaint can be filed in electronic form also in which case 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/her identity to any other authority.

Complaints can be made through e-mail also giving full details as specified above. For this purpose, a specific **e-mail address** has been created which is as under: whistleblower@nainitalbank.co.in.

The above mentioned email Id will be managed and monitored by Designated Authority.

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

“The Designated Authority / Chairperson of Audit Committee of the Board, The Nainital Bank Limited, Vigilance Department, Head office, Seven Oaks, Mallital, Nainital”. (as the case may be)

The envelope should be super scribed "**Complaint under Whistler Blower Policy**".

- v. If the Complaint/Disclosure is received by the Chairperson of the Audit Committee, he/she shall detach the covering letter and forward only the Complaint/Disclosure to the Designated Authority (if conflict of interest with Designated Authority then to any other investigator) of the bank for investigation.
- vi. Complaint/Disclosure should be factual and not speculative in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- vii. The complainant should ensure that the issue raised by him/her involves dishonest intention/angle.
- viii. Complainant should study all the relevant facts and understand their significance. He/she should also make an effort, if possible, to resolve the issue through internal channels in order to avoid making the complaint.
- ix. The text of the complaint should be carefully drafted so as not to give any details or clue to complainant's identity. The details of the complaint should be specific and verifiable.

G. INVESTIGATION:

- i. All Complaint / Disclosure reported under this Policy will be thoroughly investigated by the Designated Authority through Central Internal Audit Division (CIAD) in accordance with the normal procedure. The Designated Authority / Chairperson of Audit Committee may at its discretion, consider the involvement of any investigators /Vigilance Department for the purpose of Investigation.
- ii. The decision to conduct an investigation is not an accusation and is to be treated as a neutral fact finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- iii. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- iv. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- v. Subjects shall have a duty to co-operate with the Designated Authority / Chairperson, Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self- incrimination protections available under the applicable laws.
- vi. Subjects have a right to consult with a person or persons of their choice, save and except Designated Authority / Investigators and/or the Audit Committee and/or the Whistle Blower.
- vii. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects. If he/she is found indulging in any such actions, he/she will make himself/herself liable for disciplinary actions.
- viii. Under no circumstances, subjects should compel investigator to disclose the identity of the Whistle Blower. Unless there are compelling reasons not to do so, Subjects will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrong doing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation. Subjects have a right to be informed of the outcome of the investigation.
- ix. As Bank has only offline mode and e-mail mode to receive the protected disclosures, for complaints/ disclosures received by post/ courier, the Designated Authority shall scrutinize the Whistle Blower.
- x. In order to ascertain the identity, the Designated Authority will send a letter on the address given in the offline complaint through registered post with acknowledgement due to the whistle blower without revealing the subject and stating that the matter is being acted upon. The copy of the letter and acknowledgement due will be kept on records by the Designated Authority. In case the whistle blower replied that he has not sent the complaint, no action will be taken on the said complaint. If the letter is not returned, it will be presumed that the

person has sent the complaint. If the identity of the Whistle Blower cannot be ascertained/ complaint received is anonymous/ pseudonymous, the Designated Authority may not take any action in the matter. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Complaint/Disclosure under this Policy. The Bank, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against the Whistle Blowers.

- xi. Investigators are required to conduct a process towards fact-finding and analysis related to alleged improper or unethical activities. Investigators shall derive their authority and access rights from the Designated Authority / Chairperson, Audit Committee when acting within the course and scope of their investigation.
- xii. Technical and other resources may be drawn upon as necessary to augment the investigation. All investigators have a duty of fairness, objectivity, thoroughness, ethical behavior and observance of legal and professional standards.
- xiii. The investigation shall be completed normally within 45 days of the receipt of the Complaint/Disclosure. The Designated Authority may approach the Chairperson of the Audit Committee to extend the period of the investigation, if required. If the whistle blower did not receive any information with regards to his/her complaint within 03 months from the date of the complaint, he/she may approach Chairperson of Audit Committee for resolution.
- xiv. Investigations will be launched only after a preliminary review either by the Designated Authority or Chairperson of the Audit Committee, which establishes that:
 1. The alleged act constitutes an improper or unethical activity or conduct.
 2. The allegation is supported by information specific enough to be investigated or in cases where the allegation is not supported by specific information; it is felt that the concerned matter is worthy of management review.
- xv. In case the Chairperson of ACB has directed any other person to investigate the said complaint, the details of the findings of the complaint along with the investigation report and the copy of the complaint masking the identity of the whistle blower should be forwarded to the Designated Authority for inclusion in the consolidated note to the Audit Committee of the Board in line with the timelines specified. A copy of the report should also be forwarded, by such other person who has been directed to investigate by the Chairperson of Audit Committee of the Board, to the Designated Authority.
- xvi. If an official feel that he/she is being victimized for having made a complaint/disclosure, he/she may directly approach the Chairperson of the Audit Committee of the Board, or any other appropriate authority, for redressal—rather than the Designated Authority. It must be ensured that no punitive action is taken against any individual solely on the basis of suspicion or assumption of their being a whistle blower by any authority.
- xvii. The Bank will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Complaint/Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Bank will arrange for the Whistle

Blower to receive advice about the procedure etc. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower. While the Bank is determined to provide appropriate protection to the genuine Whistle Blower, at the same time, employees are advised to refrain from using this facility for furthering their own personal interest. If proved, appropriate disciplinary action shall be initiated against such Whistle Blowers.

H. DECISION:

If an investigation leads the Designated Authority / Chairperson, Audit Committee to conclude that an improper or unethical act has been committed, the Designated Authority/ Chairperson, Audit Committee shall recommend to the Disciplinary Authority of the Bank to take such disciplinary or corrective action as they deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable officer or staff conduct and disciplinary procedures.

I. REPORTING:

The Designated Authority shall submit a report on Quarterly basis to the Audit committee regarding total number of Complaint/Disclosure received in the year, nature of complaint, outcome of investigation, actions recommended by the Designated Authority / Chairperson, Audit Committee and implementation of the same.

J. RETENTION OF DOCUMENTS:

All Complaint/Disclosure in writing or documented along with the results of investigation relating thereto shall be retained by the bank for a minimum period of two years.

K. PROTECTION TO WHISTLE BLOWERS:

- i. The Designated Authority and the Chairperson, ACB shall ensure that no punitive action is taken by any Administrative Authority against any Employee/ Director of the Bank on perceived reasons/ suspicion of being "Whistle Blower".
- ii. The Chairperson, ACB may also give any suitable recommendations / instructions to the appropriate Authority/ concerned person to protect the Official from victimization or avoid victimization. Further, every recommendation/ instruction given by the Chairperson, ACB to the appropriate Authority/ concerned person shall be binding on them.
- iii. In the event of the identity of the Whistle Blower being disclosed in contradiction to the Policy guidelines, the ACB shall recommend appropriate action against the person making such disclosures.

- iv. If any Official is aggrieved by any action on the ground that he/ she is being victimized due to the fact that he had filed a complaint or disclosure, he/ she may file an application before the Chairperson, the ACB, seeking redressal in the matter.

L. FALSE/ MALICIOUS / FRIVOLOUS/ VEXATIOUS COMPLAINTS/ DISCLOSURES:

In order to inhibit misuse of the Whistle Blower mechanism by the Whistle Blowers, any false/ malicious or frivolous/ vexatious complaints/ disclosures raised with malafide intention or complaints/ disclosures found to be motivated shall be viewed seriously by the Bank and the Designated Authority may recommend to the Competent Authority to take appropriate Disciplinary action against the concerned director or employee including reprimand.

M. REVIEW:

The Policy is basically for a period of 3 years' subject to review by the Board even prior to that period if required. The Bank reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, such amendment or modification will be notified to the Employees by means of Circulars/Letters.

The MD and CEO shall allow to continue the policy for a maximum of -03- (three) months from the date of review, in case there are no modifications.

N. MISCELLANEOUS:

The Award Staff members of the Bank are governed by the Provisions of Bi-partite Settlement and Officers by Nainital Bank Officers Service Regulations and (Conduct and Discipline) Regulations. A copy of the Policy with annexures shall be circulated among all Branches / Offices of the Bank for guidance of staff members.

ANNEXURES:

Annexure A: Duties and Responsibilities of Designated Authority.

Annexure B: Whistle Blower Covering Letter and Complaint Form.

ANNEXURE A

DUTIES AND RESPONSIBILITIES OF DESIGNATED AUTHORITY

The need for Designated Authority in the bank is critical for ensuring the integrity, transparency, and ethical standards of the institution. The duties and responsibilities of Designated Authority is to uphold the highest standards of ethical conduct within the Bank. Following are the primary duties and responsibilities of Designated Authority:

1. Foster a culture of integrity and accountability within the bank, ensuring that employees understand the importance of ethical behavior.
2. Establish and manage confidential reporting channels for employees to report unethical behavior without fear of retaliation.
3. Encourage a culture of integrity and ethical behavior throughout the bank.
4. Create secure and confidential channels for reporting unethical behavior or violations under whistle blower policy.
5. Ensure that employees can report concerns without fear of retaliation and that their anonymity is protected under whistle blower policy.
6. Investigate reports of unethical behavior or policy violations thoroughly and impartially.
7. Ensure appropriate actions are taken to address and rectify ethical breaches.

The Designated Authority plays a critical role in ensuring that the bank operates with integrity, transparency, and accountability, thereby safeguarding the bank's reputation and fostering trust among stakeholders.

ANNEXURE B- WHISTLE BLOWER COMPLAINT FORM

Part A

This Table is for Office use only

Date of Filing Complaint		Dummy Reference Number		Initial of the Designated Authority	
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**The Designated Authority /ACB Chairman,
Nainital Bank Limited,
Seven Oaks Building,
Head-Office, Mallital
Nainital-263001**

Personal Information of the Whistle Blower

To be filled by the Whistle Blower) Name	
Employee ID	
Present Posting Details: Branch / Office	
Region	
Address	
Contact Number	
Email id	

Declaration

I declare that the above information is furnished by me under 'Internal Whistle Blower Policy for employees and Directors' which is true and correct to the best of my knowledge, information and belief.

Signature and Date

Whistle Blower Complaint --- Part B

This Table is for Office use only

Date of Filing Complaint		Dummy Reference Number		Initial of the Designated Authority	
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Statement of facts:
Statement detailing acts of omission/ commission of the person/ persons against whom the complaint/ disclosure is being made
Has the disclosure been made to anyone in the past? If yes, to whom and when.