

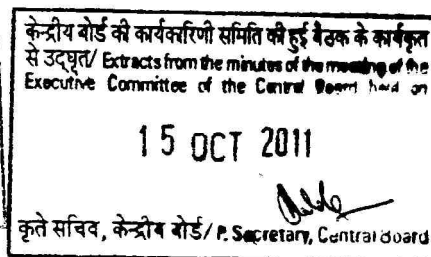
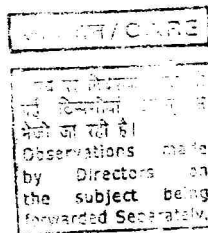
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NBG-1

'Whistle Blower Policy' on the basis of Government of India resolution on Public Interest Disclosures & Protection of Informer (PIDPI)

SUBMITTED a Memorandum dated the 28th September 2011 to the Chief Vigilance Officer, recommending that, for the reasons stated therein, **approval** be accorded for proposed Whistle Blower Policy, as detailed in the Memorandum and Annexures thereto.

Copies of the Memorandum and enclosures had been circulated to the Directors on the Executive Committee.



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RECEIVED

- 7 OCT 2011

Central Board Secretariat

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B-NBG-1

CHAIRMAN

केन्द्रीय बोर्ड की कार्यकारिणी समिति को प्रस्तुत
Submitted to the Executive Committee
of the Central Board on

15 OCT 2011

संबंधित कार्यवृत्त संलग्न हैं।/Relative Minutes attached
कृते सचिव, केन्द्रीय बोर्ड/P. Secretary, Central Board

**MEMORANDUM FOR THE
EXECUTIVE COMMITTEE OF THE CENTRAL BOARD**

**'WHISTLE BLOWER POLICY' ON THE BASIS OF GOVERNMENT
OF INDIA RESOLUTION ON PUBLIC INTEREST DISCLOSURES &
PROTECTION OF INFORMER (PIDPI)**

सावधान / CARE

विषय पर निदेशकों द्वारा की
नई दिश्यानीयां अलग से
भेजी जा रही है।
Observations made
by Directors on
the subject have
forwarded Separately

As a proactive measure to mitigate operational, legal and reputational risk of the Bank and with a view to enhance Corporate Governance standards, it is proposed to formulate a Policy called 'Whistle Blower Policy' -an internal mechanism to staff for reporting any unethical practice or behaviour or violation of service in the Bank.

The policy has been deliberated and agreed to by the Central Human Resources Committee (CHRC) in its meeting held on 14th September, 2011. The policy is now being placed before the Executive Committee of Central Board (ECCB) for approval.

The salient features of the policy are as under:

The Bank had circulated instructions on the basis of guidelines of Chief Vigilance Commission (CVC) for acceptance of complaints under the Public Interest Disclosure & Protection of Informer (PIDPI) and keeping the identity of the complainant secret.

Clause 49 of SEBI Listing Agreement requires setting up of a "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

ii. The Government of India had also tabled the Public Interest Disclosure and Protection to Persons Making the Disclosures Bill, 2010 popularly known as "Whistle Blower Bill" in the Lok Sabha in August'2010 which is yet to be enacted.

iv. The Whistle Blower Policy of the Bank is based on the norms of Government of India resolution on PIDPI. The Policy is a internal reporting mechanism available to all staff of the Bank to act as a 'Whistle Blower' to expose any unethical, corrupt practices of their co-workers, seniors/superiors in the Bank.

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The policy defines the role and function of designated authority and mechanism to dispose the Whistle Blower cases. There are provisions to protect the interest of Whistle Blower keeping the informant's identity closely guarded and to take the information provided by the informer to its logical end.

The Complaint form, the procedure for recording of complaints and handling of complaints are standardised under the Policy.

Request the Executive Committee of the Central Board to accord approval to the proposed Whistle Blower Policy placed as Annexure.

Submitted for approval, please.

STATE BANK OF INDIA,
VIGILANCE DEPARTMENT,
CORPORATE CENTRE, MUMBAI
17 SEPTEMBER, 2011

AKSI\Whistle Blower New\SBI Policy ECCB.doc


CHIEF VIGILANCE OFFICER

STATE BANK OF INDIA

WHISTLE BLOWER POLICY

OBJECTIVE

The objective of 'Whistle Blower Policy' is to ensure highest ethical, moral and business standards in the course of functioning and to build a strong and strong culture of Corporate Governance within the Bank. In pursuance of Policy, an internal mechanism is established for staff members to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the Bank's code of conduct policy. The policy is intended to encourage all employees of the Bank to report suspected or actual occurrence of illegal, unethical or inappropriate actions, behaviours or practices by staff without fear of retribution. The employees can voice their concerns on irregularities, malpractices and other misdemeanours through this policy. It also provides necessary safeguard and protection to the employees who disclose the instances of unethical practices/ behaviour observed in the Bank.

This policy should be read in conjunction with existing instructions of the Bank as well as Government of India/Central Vigilance Commission in this matter issued from time to time.

DEFINITIONS

The definitions of some of the key terms used in this policy are given below:

Whistle Blower— The Employees of the Bank making the disclosure under this policy. The Whistle Blower's role is that of a reporting party. Whistleblowers are not investigators or finders of facts; neither can they determine the appropriate corrective or remedial action that may be warranted.

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Designated Official– Deputy General Manager (Vigilance) at Corporate Centre for staff posted at Corporate Centre and its establishments and Deputy General Manager (Vigilance) at Local Head Offices for staff posted in the respective Circles. The concerned Vigilance Departments will arrange to circulate name, telephone number, e-mail address of the Designated Officer(s) in the Bank to enable the staff to register their complaints under Whistle Blower Scheme.

Subject – Branch / Employee– The specific branch and/or employee in respect of whom disclosure is being made.

Employees– All employees of the Bank, including officer and award staff, as also those under contract service in the Bank.

Disclosure – Any communication, whether by letter/ email/or over telephone, relating to unethical practice or behaviour or violation of service rules, made in good faith by the Whistle Blower.

Reviewing Authority – Chief Vigilance Officer at Corporate Centre.

Appropriate Departmental Action – Departmental action as per the applicable service rules of the Employees/Officers

Investigators means any person(s) duly appointed/consulted by the Designated Authority to conduct an investigation under this policy.

COVERAGE: All employees of the Bank are covered under this policy. The Policy covers malpractices and events which have taken place/ suspected to have taken place in the Bank involving:

- corruption
- frauds
- misuse/ abuse of official position,
- manipulation of data / documents,

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any other act of an employee which affects the interest of the Bank adversely and has the potential to cause financial or reputational loss to the Bank.

Details in the complaint should be specific and verifiable.

CONCLUSIONS

Actions taken by the committees established by the Bank and Policy actions of the Bank shall be outside the purview of this policy.

REPORTING MECHANISM

Any employee (officer / award) willing to disclose information may do so in any of the following manner.

In writing on prescribed format (Annexure-I) , duly addressed to the **Designated Officer(s)** in a sealed envelope specifically superscribed in capital letters "**Disclosure under Whistle Blower Scheme**".

The envelope containing the complaint to be sent to the Designated Officer(s) i.e. Deputy General Manager (Vigilance), Corporate Centre or to the Deputy General Manager (Vigilance) of the respective Circles. Efforts should be made not to disclose the identity of Whistle Blower on the top of the envelope containing the disclosure .

Suitable proof of his identity / contact numbers / address so that additional information, if any, can be obtained. In case identity cannot be ensured, the complaints will be treated as anonymous/pseudonymous complaints, and may not attract further action.

Complaints can also be sent to the **specially designated e-mail ID** created for the purpose from the official e-mail ID of the employee. The contact details / address of the Whistle Blower should however be provided. In case of absence/incorrectness of the same the complaints will be treated as anonymous/pseudonymous complaints and may not attract further action.

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enclosures can also be made over a dedicated **Telephone number**. The Whistle Blower would however, be required to disclose his identity and furnish sufficient information for verifying his identity by the Designated Official. Additional information, as deemed necessary, will be sought for by the designated official attending the call.

The disclosure whether by letter / email/ telephone, should provide specific and verifiable information in respect of the "**Subject – Branch / Employee**"

CONFIDENTIALITY MECHANISM OF WHISTLE BLOWER:

The complaints received under Whistle Blower on the prescribed format (Annexure-I) , will be opened by the addressee only.

Upon receipt of Complaint, the Designated Authority will enter the particulars of Complaint in the Register (Annexure-IIA) and allot a code number on all the pages of the complaint. The first page containing the whereabouts of Whistle Blower along with the envelop will be retained with the custody of Designated Authority. The subsequent pages containing the details of Whistle Blower case will be handed over to concerned desk official for investigation purpose. The Designated Officer will strive to ensure that identity of Whistle Blower is not disclosed. The register as per Annexure II A will be confidential and retained with the Designated Official.

- ii. The particulars of the Complaint will be recorded in the prescribed Register (Annexure-IIB)
- ✓ The Complainant should send his proof of identity along with the Complaint.

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PROTECTION TO WHISTLE BLOWER

The Bank will protect the confidentiality of the complainants and their names / identity will not be disclosed except as statutorily required under law.

No adverse penal action shall be taken or recommended against an employee in retaliation to his disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. It will be ensured that the Whistle Blower is not victimized for making the disclosure

In case of victimization in such cases, serious view will be taken including departmental action on such persons victimizing the Whistle Blower.

Identity of the Whistle Blower will not be disclosed to the Investigating Official.

If any person is aggrieved by any action on the ground that he is being victimized due to the fact that he had filed a complaint or disclosure, he may file an application before the Reviewing Authority (Chief Vigilance Officer of the Bank) seeking redressal in the matter, wherein the CVO may give suitable directions to the concerned person or the authority.

To protect the interest of the Whistle Blower for any adverse reporting in Annual Appraisal/Performance report, he/she may be given an option to request for a review of his/her Annual Report by the next higher Authority of the Reviewing Authority of his/her Report within three (03) months after the closure of the relevant financial year ending 31st March.

DISQUALIFICATIONS FROM PROTECTION

Protection under the scheme would not mean protection from departmental action arising out of false or bogus disclosure made with malafide intention or complaints made to settle personal grievance.

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Whistle Blowers, who make any disclosures, which have been frequently found to be malafide or frivolous or malicious shall be liable to be prosecuted and appropriate disciplinary action will be taken against them under Service Rules/ bipartite settlements only when it is established that the Complaint has been made with intention of malice. This policy does not protect an employee from an adverse action which is independent of his disclosure under this policy or for alleged wrongful conduct, poor job performance, any other disciplinary action, or unrelated to a disclosure made pursuant to this policy.

MECHANISM FOR ACTION / REPORTING ON SUCH DISCLOSURES

The designated official shall, on receipt of the complaint, arrange to verify the identity of the Whistle Blower.

A proper record will be kept of all disclosures received (Annexure-II A & B). The action taken against each disclosure will be also noted and put up to the Reviewing Authority within 7 days of receipt of complaint.

Only on being satisfied that the disclosure has verifiable information, necessary enquiry / investigation will be done with regard to the complaint with the assistance of the Vigilance Department at Corporate Centre / LHO. The Designated Official will also have the authority to seek the assistance / support from other departments/ offices to conduct enquiry / investigation. The process of investigation will be completed within 45 days of receipt of the Complaint.

The identity of the Whistle Blower will not be disclosed to the officials conducting the enquiry / investigation. In case additional information is required to be collected from the Whistle Blower, it will be through the Designated Official.

Any inquiry/ investigation conducted against any Subject shall not be construed by itself as an act of accusation and shall be carried out as a neutral fact finding process, without presumption of any guilt.

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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.

A time frame of maximum 45 days will be permitted to complete the investigation / enquiry. In case the same cannot be completed within the stipulated period, interim report should be mandatorily submitted to the Investigating Officer, giving, inter- alia, the tentative date of completion.

Depending upon the nature of disclosure and its gravity, the Designated Official will take a view to take up investigation on a priority basis and in a shorter time frame for its completion.

In case the disclosure made does not have any specific & verifiable information, the Designated Official will be authorized not to take any action. This would be suitably recorded and placed before the Reviewing Authority.

In case the allegations made in the disclosure are substantiated, **appropriate departmental action** as per the provisions of service conditions in vogue will be taken against the employee (officer/award) concerned on whose part the lapses are observed.

The action taken against the subject/employee as stated in the above paragraph will be in addition to any other action or prosecution which may be initiated against said subject/employee under any statute or law in force.

REVIEW OF STATUS REPORT

The functioning of the Scheme will be reviewed by the Reviewing Authority at quarterly basis.

The Designated Officer shall submit a status report on the prescribed format (Annexure-III) to the Reviewing Authority and any other

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Information relating to the disclosures received under the Whistle Blower Scheme on quarterly basis. The status report would include the following-

- a. The status of the disclosure received during the present and prior period and the action taken thereon.
- b. The special areas which need focussed attention.
- c. The nature of disclosures made, their Circle wise distribution.

The Reviewing Authority may send recommendations to the appropriate authority for taking corrective measures to prevent recurrence of such events in future.

IMPLEMENTATION OF THE POLICY A copy of the Policy shall be uploaded in the SBI Times. The Chief Vigilance Officer at Corporate Centre and Vigilance Department at Local Head Offices will ensure that the Policy is known to all employees.

The policy can be changed, modified, rescinded or abrogated at any time by the Bank. However, the Vigilance Department at Corporate Centre will review the Policy on every six months with specific emphasis on the role and responsibilities of the Designated Officer(s).

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ANNEXURE-I

	Date of filing Complaint		Initial of Designated Official	
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(For use of Designated Authority, Do not write anything above it)

WHISTLE BLOWER COMPLAINT FORM

General Manager (Vigilance),
Ministry of India,
Department,

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PERSONAL INFORMATION OF WHISTLE BLOWER

.....

Index No.

Name of Branch: Place:

.....

Roll Number (R) (O)

..... email address

Person(s) against whom the complaint is made: As per enclosed sheet

Details of Complaint: As per enclosed sheet

DECLARATION

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

Signature

.....
Date

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	Date of filing Complaint		Initial of Designated Official	
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(For use of Designated Authority, Do not write anything above it)

BRIEF FACTS OF THE CASE REPORTED UNDER WHISTLE BLOWER SCHEME

Statement of facts: (Please use extra pages if necessary)

Statement detailing acts of commissions/omissions of the person(s) against whom disclosure is made: (Please use extra pages if necessary.)

Was this disclosure made to any one in the past? If yes, when and to whom.

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A. WHISTLE BLOWER COMPLAINT REGISTER WHICH IS CONFIDENTIAL AND SOLELY FOR THE USE OF DESIGNATED OFFICER i.e. DGM (VIG.)

Date of filing Complaint	Case No	Name of Whistle Blower	Details of Whistle Blower	Branch	Person against whom reported	Code No.	Initial
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B. FOLLOW-UP REGISTER

Date of filing Complaint	Code Number	Branch	Person Against whom reported	Brief Details of Complaint	Date of Action taken	Nature of Action taken	Date of closure of case	Action report submitted to Review Authority on	Initial
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ANNEXURE-III

STATE BANK OF INDIA
VIGILANCE DEPARTMENT,
CIRCLE

STATUS REPORT OF COMPLAINTS RECEIVED UNDER WHISTLE
BLOWER POLICY FOR THE QUARTER ENDING
MARCH/JUNE/SEPTEMBER /DECEMBER 20

Review of Whistle Blower cases					
No. of complaints received	Received during the Quarter	No. Of cases rejected	No of cases where Investigation initiated	No of cases pending	No of cases where action taken against whistle blower for malafide
No. of cases where disciplinary action taken against employee under Whistle Blower Policy					
No. of frauds detected under Whistle Blower Policy					
Major areas of the Bank reported under Whistle Blower Policy					
Remedial Action to be taken					

Department
Place
Date

Signature of Designated Authority

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