

## **Introduction**

The Whistle-Blowing Policy of Consumer Unity & Trust Society (CUTS) aims to provide a platform for reporting concerns of any misconduct/malpractice/abuse/violations in a responsible and effective manner.

An important aspect of ensuring accountability and ownership is a mechanism to enable individuals and groups (whistle-blowers) to voice concerns in a responsible and effective manner, when they discover information which they believe shows serious malpractice or which are unethical. It also offers whistle-blowers protection from victimisation, harassment or disciplinary proceedings. Further, it makes it obligatory for all of the employees to report wrongful acts or suspected wrongful acts in accordance with the policy.

This whistle-blowing policy is, therefore, fundamental to CUTS commitment to professional integrity and value system and to ensure adherence to highest ethical standards and protocols.

## **What does this policy cover?**

This policy covers situations where an individual or group of people (whistle-blowers) raise a concern about misconduct, malpractice, abuse, violations, manipulation of company data/records, financial irregularities or any other wrongdoing which will directly or indirect impact CUTS and its partners (including donors, partner NGOs, grantees, sub-grantees, business partners, vendors, suppliers and other relevant stakeholders).

## **What is Whistle blowing?**

Whistle blowing is confidential disclosure by an individual, or a group of people, of any concern encountered in the workplace relating to a perceived malpractice or impropriety or misconduct or violations at the workplace.

Serious misconduct includes wrongdoing, corruption, bribery or theft. This may include, but is not limited to:

- Fraud – such as theft or misuse of CUTS funds or other resources by an employee or a third party; falsification of costs or expenses; forgery or alteration of documents; destruction or removal of documents; paying of excessive prices or fees to third parties with the aim of personal gain.
- General malpractice – such as illegal or unethical conduct (including where someone's health & safety has been put in danger).
- Gross misconduct – such as child abuse, sexual harassment, blackmail, retaliation, bribery, extortion or physical abuse.
- Any other intentional contravention of the Code of Conduct or the Conflict of Interest Policy.
- Falsification of organisational records for personal benefits or benefits of others on the part of staff, partners and members of the Governing body.
- Being aware of misconduct or violations and not reporting it.
- Breach of IT security and data privacy

**Who does this policy apply to?**

This policy applies to:

- All regular full time employees of CUTS
- All staff working in different forms of engagement with CUTS;

**What are the Fundamental Elements of this Policy?**

- CUTS requires whistle-blower(s) to disclose themselves by providing their name, date of birth, and phone number. Anonymous calls will neither be entertained nor investigated, in order to guard against potential abuse of this policy.
- The Whistle-blower(s) is/are protected from victimisation, harassment or disciplinary action as a result of any disclosure, where the disclosure is made in good faith and is not made maliciously or for personal gain.
- Disclosures will be completely investigated by due process including interviews with all the witnesses and other parties involved.
- The confidentiality of the reports will be kept to the extent possible, consistent with the need to conduct an adequate investigation.
- While CUTS can provide internal anonymity, it cannot guarantee this will be retained if external legal action flows from the disclosure.
- A formal investigation shall be conducted by an Ethics Committee followed by report submission to the Secretary General.

**Ethics Committee and its role:**

Ethics Committee will receive all formal complaints on behalf of the organisation. The Ethics Committee will comprise of:

- a) Any one member from senior management - Secretary General/Executive Director/ Deputy Executive Director;
- b) Head of Finance
- c) Head of Human Resource (HR) and,
- d) Any one member from Centres in a senior position

An investigation undertaken by the Ethics Committee will be in accordance with the principles of natural justice and will be undertaken confidentially and as expeditiously as possible with great sensitivity. Further, the investigation is to be completed within 45 working days on receipt of a complaint either verbally or written. Any delay in completion of the investigation needs to be suitably justified.

The whistleblower would be notified of the outcome of the investigation whenever it is possible to do so. There may be occasions when external bodies such as donors and regulators may also be notified of the outcome of an investigation.

The HR department will be responsible for maintaining the record and documentation of all such proceedings. If any one of the members of the Ethics Committee is the subject of whistle-blower's allegations then he or she will be replaced on the Committee for that case as decided and duly approved by the Committee.

After completing of the investigations, the Ethics Committee will be required to submit a fact finding report along with recommendations to the Secretary General for further action. If the Secretary General feels that the issue raised by the whistle-blower is critical to the operations and existence of CUTS and threatens to have pervasive negative implications, the Secretary General along with his recommendations may escalate the matter to the Board for further deliberations and conclusions.

If the concern will be raised against the Secretary General of the organisation, the Ethics Committee will submit its report along with recommendations to the Board and their decision will be final and binding on all the parties.

### **Raising the Concern and Investigations by Committee**

The Ethics Committee can be contacted through email/phone/personal meeting by any individual or group of people to report any misconduct/malpractice/abuse/violations, show intention to disclose or make an actual disclosure.

Upon receipt of a disclosure, a preliminary enquiry will be carried out by the Ethics Committee; as the case may be to decide whether an investigation is appropriate and if so, what form it should take. Some concerns as the case may be resolved by an agreed action without the need for investigation.

If the Ethics Committee post preliminary enquiry comes to the conclusion that the matter needs to be investigated in more details, the Committee will proceed to investigate it further.

### **Process of Investigation**

The Ethics Committee will adhere to the following guidelines for conducting the investigation:

- Give the whistle-blower the opportunity to present his or her case;
- Look at the merit of the case as per the conditions for moving on a whistle-blower Disclosure;
- Set out a timetable;
- Identify and cross examine witnesses and evidences as needed;
- Speak with the subject(s) of the disclosure, as needed;
- Analyse findings;
- Come to conclusions (systemic malpractice or an isolated incident);
- Determine action to be taken against whistle-blower or subject, if any;
- Hand over recorded action to the concerned person or department;
- Submit an investigation report along with the recommendations to the Secretary General;
- All disclosures in writing or documented along with the results and action taken report of the investigations shall be retained for a minimum period of five/seven years.

Following the report submission by the Ethics Committee, the Secretary General will on the gravity of malpractice, finalise on actions to be taken or may decide to present the findings along with actions to be taken to the Board as the case may be. If the Secretary General concludes on the basis of the investigation report that the misconduct/malpractice/abuse/violations or the control weakness is systemic in nature or is policy or strategy related, the findings need to be taken to the Board.

Disclosing information related to the investigation of a whistle blowing event is a breach of confidentiality and may put the whistle-blower at risk. Therefore, inquiries and comments about an allegation will be made within the whistle-blower database that will be maintained with HR. All proceedings will be documented with proper notes in a separate whistle-blower case file with HR, including specific details sufficient to preserve a record of the allegations and the case chronology.

### **Improper Complaints**

This policy shall not be used to bring frivolous or malicious complaints against anyone. Making a knowingly false complaint subjects the complainant to disciplinary or corrective action. However, if a legitimate concern has been raised in good faith and an investigation finds the concern to be unfounded, no action will be taken against the whistle-blower.

In case the whistle-blower is deemed by the Ethics Committee to have acted maliciously or in bad faith, then the corrective measures should be taken against him/her, which may include, but are not limited to:

- A financial penalty and/or termination if the malicious whistle-blower is an employee;
- Scaling down or termination of the existing grantee, sub-grant or program partner or blacklisting of the party from being eligible for future grants, if the malicious whistle-blower is a sub-grantee;
- Legal action including libel and/or slandering charges;

### **Possible Outcomes**

There will be no adverse consequences for anyone who does whistle blowing in good faith.

The following actions may be taken after investigation of the concern:

- Disciplinary action (up to and including dismissal) against the wrongdoer dependent on the results of the investigation;
- Disciplinary action (up to and including dismissal) against the whistle-blower if the claim is found to be malicious or otherwise in bad faith;
- No action if the allegation proves unfounded, and the committee concludes that the whistle-blower did not operate with a malicious intent or in bad faith.

The whistle-blower will be kept informed of progress and the outcome of the investigation, within the constraints of maintaining confidentiality or observing legal restrictions generally. The identity of whistle-blower shall be kept confidential to the extent possible along with those of witnesses and any other employee participating in the said investigation.

CUTS will ensure that neither the victim nor the witnesses nor the complainant are victimised or discriminated against while dealing with complaints. Anyone who victimises the whistle-blower for raising a concern or deters someone from raising a legitimate concern will be subject to appropriate disciplinary action.