



Whistle Blower Policy

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TABLE OF CONTENTS

Sl. No.	Subject	Page No.
1	Introduction	4
2	Objective & Confidentiality	4
3	Scope	5
4	Coverage	5
5	The Whistle Blower Scheme	6
6	Procedure for Blowing the Whistle	6
7	Procedure for receiving complaints	8
8	Procedure for maintenance of records.	8
9	Procedure for enquiry	9
10	Protection available to the complainant	10
11	Incentives/ Rewards to the Whistle Blower	11
12	Responsibility of Board of Directors	11
13	Disclosure in website and Board's Annual Report	11
14	Whistle Blower's Role, Rights and Responsibilities	11
15	Decision and Punishment	12
16	Implementation of the Whistle Blower Scheme	13
17	Amendments & interpretation	13

Whistle Blower Policy

1. Introduction

- 1.1 Disclosure of information in public interest by all stake holders of an organisation is gaining acceptance by public bodies and companies for ensuring better corporate governance standards and probity / transparency in the conduct of the affairs of the organisation. Large scale corporate frauds have necessitated internationally, various legislative measures for safeguarding public interest through enactments.
- 1.2 As a proactive measure for strengthening financial stability and with a view to enhance public confidence in the robustness of the financial sector, Reserve Bank of India (“RBI”) has formulated a Policy called "Protected Disclosures Policy for Private Sector and Foreign Banks". This Policy has already been implemented in our Bank and has been published in the Bank’s web-site.
- 1.3 With a view to further raise the bar of ethical behavior, the Bank considered it appropriate to provide a channel to its various stake holders, for informing fearlessly any event/information of concern to the designated authority in the Bank. This document is aiming at putting in place a vigil mechanism under the name “Whistle Blower Policy”, based on the salient features of the RBI Policy, with a view to enhance public confidence in the Bank and also in compliance of RBI directions in this regard and the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meeting of Board and its powers) Rules, 2014, each as amended.

2. Objective & Confidentiality

- 2.1 The Bank is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Bank encourages its employees and others who have concerns about suspected misconduct, to come forward and express these concerns without fear of punishment or unfair treatment. The policy aims at establishing a scheme for an efficient vigil mechanism in the Bank to quickly spot aberrations and deal with it at the earliest. The scheme will be known as “**Whistle Blower Scheme**”. **It will be disseminated 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.**
- 2.2 To provide an avenue for the employees, directors of the Bank and others to raise concerns about violation of systems and procedures of our Bank, violation of law, questionable business practices or grave misconduct by employees of the Bank that could lead to financial loss or reputation risk to the Bank.

- 2.3 To provide reassurance of protection to the whistle blower from victimization, discrimination or reprisals for having blown the whistle in the interest of the Bank with good faith.
- 2.4 To provide details of reporting, investigating and settlement of the incident.
- 2.5 **The confidentiality of the Whistle Blower shall be kept at all times. Whistle Blower will not be victimized in any manner and full protection will be given under any circumstances.**
- 2.6 **Absolutely there will be no efforts to conceal/ hide protected disclosures. Stringent action will be taken if anyone tries to destroy protected disclosures.**

3. Scope

- 3.1 The complaints / disclosures under the scheme would include the areas such as corruption, misuse of office, malpractice, misconduct, criminal offences, suspected / actual fraud, failure to comply with existing rules and regulations such as Reserve Bank of India Act, 1934, Banking Regulation Act, 1949, Securities and Exchange Board of India Act, 1992 and the rules and regulations issued thereunder, circulars and notifications issued by SEBI, other applicable laws, rules and regulations and acts resulting in financial loss / operational risk, loss of reputation, etc., detrimental to the interest of the Bank, the depositors and the public. Further, provisions dealing with leakage/ suspected leakage of unpublished price sensitive information in violation of the SEBI (Prohibition of Insider Trading) Regulations, 2015 has been dealt in Bank's Code of Conduct - Prohibition of Insider Trading Policy and Bank's Policy for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information.

4. Coverage

- 4.1 Employees covering all the cadres such as Executives, Officers, Clerks / tellers, Sub-staff, etc., including the persons employed by or associated with the Bank on contractual or temporary basis.
- 4.2 Contractors, service providers, vendors, advisors or agents (or any of their employees) providing services to the Bank.
- 4.3 Any other person associated with the Bank in any capacity like customers, shareholders, NGOs or otherwise.
- 4.4 The directors of the Bank.

5. The Whistle Blower Scheme

- 5.1 Anonymous or pseudonymous complaints or disclosures may be dealt with on merits.
- 5.2 The Designated Officer will keep the identity of the complainant / customer / other person (whistle blower) secret, except in the following cases:
 - (i) The complaint turns out to be frivolous and action has to be initiated against the complainant.
 - (ii) The complainant himself / herself has made the details of the complaint public.
 - (iii) Under compulsions of law.
- 5.3 The Designated Officer may take action against the complainants in cases where motivated complaints are made under the scheme, by using its own mechanism / the law enforcing agencies as deemed fit.
- 5.4 The Designated Officer will conduct an enquiry/ investigation and the complainant will be informed of the action taken within a period of three months. The complainant will be informed even in cases where it is revealed through enquiry/ investigation that the complaint is without substance.
- 5.5 Under no circumstances will a genuine complainant will be victimized by the Bank. They will be safeguarded from any adverse personal vindictive action.

6. Procedure for Blowing the Whistle

- 6.1 Chief of Internal Vigilance (“CIV”) in the Bank, presently, Chief Vigilance officer (CVO), will be the designated official/ authority to receive complaints under the Whistle Blower Scheme. CVO will directly report to the Chairman of the Audit Committee of the Board in the matters relating to whistle blower complaints, which comes under his discretion as per the policy.
- 6.2 In all cases involving complaints against the MD and CEO, Designated Official / Authority and or Directors of the Bank, the Chairman of the Audit Committee of the Board may act as the designated official/ authority.
- 6.3 All the Whistle Blower complaints received should be reported to Audit Committee of the Board. The Committee will decide whether investigation is to be conducted /to be continued in case investigation is already started by CIV, within his discretion. The Committee is also empowered to stop investigation, if the Committee decides so.

- 6.4 The report sent should not be frivolous or malicious.
- 6.5 The complaint should be sent in a closed / secured envelope and should be superscribed **“Complaint under the Whistle Blower Scheme”**. If the envelope is not superscribed and closed, it will not be possible for the Bank to protect the complainant under the above resolution and the complaint will be dealt with as per the normal complaint policy of the Bank.
- 6.6 The envelope should be addressed to CIV, CSB Bank Ltd., Head Office, ‘CSB Bhavan’, Thrissur, Kerala - 680020. The envelope should be superscribed **“Complaint under the Whistle Blower Scheme”**. In exceptional cases as defined above, the envelope should be addressed to “The Chairman, Audit Committee of the Board, CSB Bank Ltd., Head Office, ‘CSB Bhavan’, Thrissur, Kerala – 680020.
- 6.7 The complainant should give his / her name and address in the beginning or at the end of the complaint or in an attached letter. In case of an employee making such complaint, details such as name, designation, department, institution and place of posting, etc., should be furnished. However, the same shall be kept strictly confidential.
- 6.8 The identity of the complainant would be confirmed by the CIV by taking a confirmation in writing, mail or by phone that the complainant had indeed sent the complaint and also confirm that the complainant had not made similar / identical allegations of corruption / misuse of office to any other authority to qualify as ‘Whistle Blower’ complainant. After the identity is confirmed, CIV will ensure that the identity of the Complainant is removed from the body of the complaint and further action on complaint will be initiated.
- 6.9 Complaints can be made through e-mail also giving full details as specified above in the E mail ID civ@csb.co.in In exceptional cases, the e-mail id for sending the complaints to The Chairman of Audit Committee of the Board is, acb@csb.co.in
- 6.10 The complainant should ensure that the issue raised involves dishonest action/ practice detrimental to the interest of the Bank/ the customers/ the shareholders/ the employees/ the public at large, including but not limited to irregularities like gross or willful negligence, recklessness in decision making, blatant violations of systems and procedures, exercise of discretion in excess, where no ostensible organizational interest is evident and failure to keep the controlling authority / superiors informed in time.. The complainant is required to study all the relevant facts and understand the significance of the matter and thereafter having satisfied of the misdeed or wrongful act, make the complaint.
- 6.11 The text of the complaint should be carefully drafted so as not to give any details or clue to

the complainant's identity. The details of the complaint should be specific and verifiable.

- 6.12 While considering the complaint, the designated authority would take no action on complaints relating to administrative matters like recruitment, promotion, transfers and other related issues also. However, in case of serious complaints of irregularities in these matters, the same shall be brought to the notice of Chairman of the Audit Committee of the Board for taking appropriate action. Further, the case will be carefully studied and the circumstances weighed, to arrive at a conclusion whether there is reasonable grounds to doubt the integrity of the person against whom the complaint is filed.
- 6.13 The Designated Authority shall not entertain or enquire into any disclosure in respect of which a formal inquiry has already been ordered under Bank's Service Regulations for Employees or matters which are sub-judice or being enquired in to by law enforcing agencies.

7. Procedure for receiving complaints

- 7.1 Complaints under the scheme of the 'Whistle Blower Scheme' of the Bank will be received by the CIV from any person, customer or otherwise and /or any Director or member of staff. In instances of complaints received directly by the Chairman of the Audit Committee or Chairman of the Board, they shall, at their discretion, entrust the matter to persons as deemed fit for fact finding.

8. Procedure for maintenance of records.

- 8.1 CIV will have the responsibility to implement and monitor the Whistle Blower Scheme. Vigilance Department will maintain a register of such complaints entrusted to them by CIV noting the serial number of the complaint and date of receipt.
- 8.2 In order to keep confidentiality of the identity, no acknowledgment will be issued to the Complainant on date of receipt of the complaint letter.
- 8.3 Complaints, if any, received under the Whistle Blower Scheme, other than by the CIV, shall be forwarded to the CIV with a covering letter in duplicate to serve as acknowledgement for the recipient Department, marked **"Confidential – Complaint under the Whistle Blower Scheme"**.

9. Procedure for enquiry

- 9.1 Complaints under the Whistle Blower Scheme received by the CIV shall be discreetly enquired into immediately. Either as a result of the discreet inquiry or on the basis of the complaint itself, if the CIV is of the opinion that the matter requires to be investigated further, he will get it investigated by the Vigilance Department. If there are multiple complaints at a time, those complaints will be investigated by the same team.
- 9.2 The investigations on such complaints should be completed within three months from the date of receipt of the complaint and the report should be placed to Audit Committee of the Board. The CIV shall submit a report to the Audit Committee on all the complaints received, together with results of investigations, disciplinary actions recommended and implemented. Further, the CIV shall also furnish a report on the vigilance activities of the Bank to the Board and local governing council on a periodic basis. The Committee shall guide the management what further steps to be taken in this matter.
- 9.3 The complainants need not enter into any further correspondence with the Bank in their own interest to protect the confidentiality of the identity of the complainant. The Bank assures that, subject to the facts of the case being verifiable, it would take necessary action, as provided under the Whistle Blower Scheme. If any further clarification is required, the Bank will get in touch with the complainant at the address/ phone number/ e-mail ID given in the complaint.
- 9.4 The identity of the complainant will not be revealed unless the complainant himself has made the details of the complaint either public or disclosed his identity to any other authority.
- 9.5 Either as a result of the discreet enquiry, or on the basis of complaint itself without any inquiry, if the Designated Officer is of the opinion that the matter requires to be investigated further, it will call for the comments/ response from the concerned official of the Bank against whom the whistle is blown.
- 9.6 All employees of the Bank are duty bound to cooperate with investigation officials. If any employee fails/ refuses to cooperate or deliberately conceal any information/ document or provides any false or misleading information during the investigation, he shall be subject to disciplinary action as may be deemed appropriate.
- 9.7 After obtaining the response of the concerned official and/ or on the basis of an independent scrutiny conducted/ ordered by the Designated Officer, if he is of the opinion that the allegations are substantiated, the Bank shall take appropriate action against the concerned officer/ employee. These shall, inter alia, include the following:

- (i) Appropriate disciplinary action to be initiated against the concerned official.
 - (ii) Appropriate administrative steps for recovery of the loss caused to the Bank as a result of the corrupt act or misuse of office, or any other offence covered by the Whistle Blower Scheme.
- 9.8 Recommend to the appropriate authority/ agency for initiation of criminal proceedings, if warranted by the facts and circumstances of the cases and maintain close liaison and co-operation with the police authorities during the course of an inquiry and investigation and the processing of individual cases. The information received will be cross checked with the information received by the police authorities at regular intervals.
- 9.9 Recommend taking corrective measures to prevent recurrence of such events in future.
- 9.10 Consider initiating any other action that it deems fit keeping in view the facts of the case.
- 9.11 If the complaint is in electronic form the Designated Officer 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 identity to any other authority.

10. Protection available to the complainant

- 10.1 If the complainant is a staff member he/ she should give his/ her name and address with pin code, phone number and/ or e-mail ID, if any, prominently at the beginning or at the end of the complaint or in the covering letter. Details such as name, designation, branch / department at which he / she is working should also be clearly mentioned.
- 10.2 The Bank strictly prohibits any discrimination, retaliation or harassment against any persons who prefers a complaint under this Whistle Blower Scheme or reports any incident or who participates in an investigation. Appropriate remedial measures will be taken up to set right such discrimination / retaliation, etc., if any.
- 10.3 If any person is aggrieved by any action on the ground that he is victimized due to filing of the complaint or disclosure, he may file an application before the Chairman of the Audit Committee of the Board seeking redressal in the matter. Chairman of the Audit Committee of the Board will take such action, as deemed fit. In case such complainant is an employee of the Bank, the Bank will take all measures, preventing initiation of any adverse personal action

against the complainant, unless the complaint turns out to be frivolous.

- 10.4 The system evolved herein shall be in addition to any of the existing grievances redressal mechanism in place. However, secrecy of identity shall be observed, only if the complaint is received under the Whistle Blower Scheme.
- 10.5 In case the Bank finds that the complaint is motivated, it shall be at liberty to take appropriate steps including disciplinary/ punitive actions.
- 10.6 In the event of the identity of the informant being disclosed in spite of Bank's directions to the contrary, the Managing Director & Chief Executive Officer will be initiating appropriate action as per extant regulations against the person making such disclosure. Managing Director & Chief Executive Officer may also direct such person to suitably compensate the complainant.

11. Incentives/ Rewards to the Whistle Blower

- 11.1 Bank will issue letter of appreciation signed by Managing Director & Chief Executive Officer/ Chief Vigilance Officer or consider other forms of recognizing the effort in case of genuine complaint/s proved subsequently on investigation, depending on the magnitude of the loss/ damage detected/ avoided.

12. Responsibility of Board of Directors

- 12.1 The Board of Directors of the Bank have the responsibility for proper implementation of this “Whistle Blower Policy” in the Bank. The Audit Committee of the Board is authorized by the Board to monitor and review the functioning of the Scheme in the Bank on a half yearly basis.

13. Disclosure in website and Board's Annual Report

- 13.1 The “Whistle Blower Scheme” of the Bank will be disclosed on its website and in the Board's Annual Report.

14. Whistle Blower's Role, Rights and Responsibilities

- 14.1. The whistle blower will report the misconduct with reliable information.
- 14.2. The whistle blower will not act on his own in conducting any investigation.
- 14.3. The whistle blower will not file a complaint for personal gain.

- 14.4. The whistle blower will give information supported by reasonable evidence that an alleged wrongful conduct has occurred. However, the intentional filing of a false complaint will be considered an improper activity and management will have the right to act upon that.
- 14.5. The whistle blower will not try to obtain any evidence for which they do not have a right of access. Indulging in such activity shall be liable for appropriate action.
- 14.6. The identity of the whistle blower will not be disclosed except where required under the law or the purpose of the investigation or the complainant himself has made the details of the complaint either public or disclosed his identity to any other authority.
- 14.7. This policy may not be used as a protection by any employee against whom a disciplinary act has been taken or is already in process under Bank's rules and policies.

15. Decision and Punishment

- 15.1. On the basis of the investigation report, if allegations are proved to be correct then the Bank shall recommend to the appropriate disciplinary authority to take suitable action against the responsible official. The Audit Committee of the Board shall be kept informed by the disciplinary authority on such disciplinary action being taken/ taken based on the recommendations made in the investigation report so as to have their oversight on such actions.
- 15.2. In case complaints prove to be malicious or fictitious then the Bank may take disciplinary/appropriate action against the complainant for making false allegation and wasting Bank's time.
- 15.3. The Audit Committee of the Board shall also have powers to look into and take necessary steps/ actions in respect of any complaints received from the complaining employee about any harassment/victimization etc., such action may include involuntary demotion/resignation/ retirement, disciplinary action, termination of employment, rejection of confirmation (in case of probation), etc. subsequent to his/her disclosing the concern to the investigating officers.
- 15.4. If complainant is not the employee of the Bank and allegation proves to be fictitious, malicious, false or baseless then the Bank will have right to take legal/appropriate action against the complainant and complainant shall be liable to compensate the person against whom complaint is lodged.

15.5. Preventive measures or any other action considered necessary shall also be taken by the competent authority.

16. Implementation of the Whistle Blower Scheme

16.1. This policy will be applicable to all the Branches/Corporate offices of the Bank with immediate effect.

16.2. A copy of the Whistle Blower Scheme will also be displayed at prominent place inside the Bank premises for general information and notice of all members of staff, customers and general public.

17. Amendments & interpretation

The Bank reserves its right to amend or modify this Whistle Blower Scheme in whole or in part, at any time, without assigning any reason whatsoever.
