

SEC/034/2024

January 29, 2024

BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400001.

**Scrip code: 542867**

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> floor,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai 400051.

**Symbol: CSBBANK**

Dear Sir/Madam,

### **Outcome of Board Meeting held on Monday, January 29, 2024**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI Listing Regulations**”), we wish to inform you that the Board of Directors (the “**Board**”) of the CSB Bank Limited (the “**Bank**”), in their meeting held today, i.e., on January 29, 2024, inter alia, have considered and approved the following:

#### **1. Unaudited Financial Results for the quarter ended December 31, 2023**

The Unaudited Financial Results of the Bank for the quarter ended December 31, 2023, along with the Limited Review Report thereon issued by the Joint Statutory Auditors of the Bank, viz. Mukund M. Chitale & Co., Chartered Accountants and Walker Chandiook & Co. LLP, Chartered Accountants.

A copy of the aforesaid Unaudited Financial Results and Limited Review Report thereon issued by the Joint Statutory Auditors of the Bank are enclosed herewith as Annexure A.

#### **2. Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

The modification proposed in the ‘Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information’ (the “**Policy**”). A copy of the amended policy is attached herewith as Annexure - B, and the same will also be made available on the website of the Bank.

Please note that the Board meeting commenced at 11.45 a.m. IST and concluded at 03.10 p.m. IST.

Kindly take the same on your records.

Thanking You,

Yours faithfully,

**Sijo Varghese**  
Company Secretary

**Walker Chandiook & Co LLP**  
Chartered Accountants  
16th Floor, Tower III  
One International Center  
S B Marg, Prabhadevi (W)  
**Mumbai - 400 013**  
Maharashtra, India

**Mukund M. Chitale & Co.**  
Chartered Accountants  
2nd Floor, Kapur House  
Paranjape Scheme  
B Road Number 1, Vile Parle (E)  
**Mumbai – 400 057**  
Maharashtra, India

**Independent Auditor's Review Report on Unaudited Quarterly Financial Results and Year to Date Results of CSB Bank Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of CSB Bank Limited**

1. We have reviewed the accompanying statement of unaudited financial results ('the Statement') of **CSB Bank Limited** ('the Bank') for the quarter ended **31 December 2023** and the year to date results for the period 01 April 2023 to 31 December 2023, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), except for the disclosures relating to Pillar 3 disclosure as at 31 December 2023, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us.
2. The Statement, which is the responsibility of the Bank's management and approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25, Interim Financial Reporting ('AS 25'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time, applicable to banks ('the RBI guidelines'), and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in AS 25 prescribed under section 133 of the Act, the RBI guidelines, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosure as at 31 December 2023, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us.



**Walker Chandiok & Co LLP**  
Chartered Accountants  
16th Floor, Tower III  
One International Center  
S B Marg, Prabhadevi (W)  
**Mumbai - 400 013**  
Maharashtra, India

**Mukund M. Chitale & Co.**  
Chartered Accountants  
2nd Floor, Kapur House  
Paranjape Scheme  
B Road Number 1, Vile Parle (E)  
**Mumbai – 400 057**  
Maharashtra, India

5. The review of unaudited quarterly financial results for the quarter and nine months ended 31 December 2022 and audit of financial results for the year ended 31 March 2023 included in the Statement was carried out and reported by BSR & Co. LLP and Mukund M. Chitale & Co. who have expressed an unmodified conclusion vide their review report dated 30 January 2023 and an unmodified opinion vide their audit report dated 28 April 2023, respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Accordingly, Walker Chandiok & Co. LLP do not express any conclusion on the figures reported in the Statement for the quarter and nine months ended 31 December 2022, or any opinion on the figures reported in the Statement for the year ended 31 March 2023. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013

**Sudhir N. Pillai**  
Partner  
Membership No. 105782

**UDIN:24105782BKFIXV1949**

Place: Mumbai  
Date: 29 January 2024



For **Mukund M. Chitale & Co.**  
Chartered Accountants  
Firm Registration No: 106655W

**Abhay V. Kamat**  
Partner  
Membership No. 039585

**UDIN:24039585BKZIO2551**

Place: Mumbai  
Date: 29 January 2024





## CSB Bank Limited

Regd. Office: 'CSB Bhavan', Post Box No. 502, St. Mary's College Road,  
Thrissur – 680020, Kerala, India.

Tel: +91 487-2333020 | Fax: +91 487-2338764 |

Website: www.csb.co.in | Email: board@csb.co.in

Corporate Identity Number: L65191KL1920PLC000175



### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Interest earned (a) + (b) + (c) + (d)	76,183	68,734	59,205	2,13,267	1,68,316	2,31,965
(a) Interest / Discount on advances / bills	64,414	58,469	49,452	1,79,996	1,35,946	1,88,813
(b) Income on investments	11,260	9,638	9,445	30,073	30,445	40,461
(c) Interest on balances with RBI and other inter bank funds	329	352	82	1,026	916	1,115
(d) Others	180	275	226	2,172	1,009	1,576
2. Other income	12,534	14,254	8,990	38,777	18,969	31,568
<b>3. Total Income (1+2)</b>	<b>88,717</b>	<b>82,988</b>	<b>68,195</b>	<b>2,52,044</b>	<b>1,87,285</b>	<b>2,63,533</b>
4. Interest expended	37,916	34,365	24,231	1,04,229	69,776	98,581
5. Operating expenses (i) + (ii) + (iii)	31,214	31,160	24,620	92,622	66,957	94,212
(i) Employees cost	17,281	17,574	15,162	52,470	39,948	55,282
(ii) Rent, taxes and lighting	3,268	2,973	2,352	9,411	6,931	9,914
(iii) Other operating expenses	10,665	10,613	7,106	30,741	20,078	29,016
<b>6. Total Expenditure (4+5)</b> (excluding provisions and contingencies)	<b>69,130</b>	<b>65,525</b>	<b>48,851</b>	<b>1,96,851</b>	<b>1,36,733</b>	<b>1,92,793</b>
<b>7. Operating Profit before Provisions and Contingencies (3-6)</b>	<b>19,587</b>	<b>17,463</b>	<b>19,344</b>	<b>55,193</b>	<b>50,552</b>	<b>70,740</b>
8. Provisions (other than tax) and Contingencies	(454)	(333)	(1,496)	(313)	(1,701)	(2,621)
Of which provisions for non-performing assets / write off	428	1,058	479	2,882	2,754	3,066
9. Exceptional Items	-	-	-	-	-	-
<b>10. Profit from Ordinary Activities before Tax (7-8-9)</b>	<b>20,041</b>	<b>17,796</b>	<b>20,840</b>	<b>55,506</b>	<b>52,253</b>	<b>73,361</b>
11. Tax Expense	5,044	4,479	5,245	13,970	13,151	18,625
<b>12. Net Profit from Ordinary Activities after Tax (10-11)</b>	<b>14,997</b>	<b>13,317</b>	<b>15,595</b>	<b>41,536</b>	<b>39,102</b>	<b>54,736</b>
13. Extraordinary Items (net of tax expense)	-	-	-	-	-	-
<b>14. Net Profit for the period (12-13)</b>	<b>14,997</b>	<b>13,317</b>	<b>15,595</b>	<b>41,536</b>	<b>39,102</b>	<b>54,736</b>
15. Paid-up Equity Share Capital (Face value - ₹ 10 per equity share)	17,354	17,354	17,354	17,354	17,354	17,354
16. Reserves excluding Revaluation Reserves						2,87,807
17. Analytical Ratios						
(i) Capital Adequacy Ratio (Basel-III)	22.99%	23.96%	25.78%	22.99%	25.78%	27.10%
(ii) Earnings per Share (EPS)*						
Basic EPS - before and after extraordinary items (in ₹)	8.64	7.68	8.99	23.94	22.54	31.55
Diluted EPS - before and after extraordinary items(in ₹)	8.64	7.68	8.99	23.94	22.54	31.55
(iii) NPA Ratios						
a) Gross NPA	27,873	28,476	27,129	27,873	27,129	26,256
Net NPA	7,023	7,249	7,766	7,023	7,766	7,182
b) % of Gross NPA	1.22%	1.27%	1.45%	1.22%	1.45%	1.26%
% of Net NPA	0.31%	0.33%	0.42%	0.31%	0.42%	0.35%
(iv) Return on Assets - Annualised	1.84%	1.73%	2.37%	1.78%	2.00%	2.06%

\* Quarterly / Nine month numbers are not Annualised



**SEGMENT INFORMATION**

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2023	30.09.2023	31.12.2022	31.12.2023	31.12.2022	31.03.2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Segment Revenue:</b>						
Treasury	12,724	10,462	10,239	35,279	31,681	42,950
Corporate/Wholesale Banking	20,836	19,175	16,416	58,694	43,597	62,267
Retail Banking	52,471	50,351	40,091	1,50,792	1,07,872	1,52,248
Other Banking Operations	2,686	3,000	1,449	7,279	4,135	6,068
Unallocated	-	-	-	-	-	-
Total Revenue	88,717	82,988	68,195	2,52,044	1,87,285	2,63,533
Less: Inter segment revenue	-	-	-	-	-	-
<b>Income from operations</b>	<b>88,717</b>	<b>82,988</b>	<b>68,195</b>	<b>2,52,044</b>	<b>1,87,285</b>	<b>2,63,533</b>
<b>Segment Results (Net of provisions):</b>						
Treasury	387	827	2,471	4,950	6,048	8,297
Corporate/Wholesale Banking	4,088	4,379	3,113	11,093	7,151	11,010
Retail Banking	14,586	11,509	14,635	36,803	37,449	51,640
Other Banking Operations	1,032	1,088	639	2,718	1,779	2,603
Unallocated	(52)	(7)	(18)	(58)	(174)	(189)
<b>Profit Before Tax</b>	<b>20,041</b>	<b>17,796</b>	<b>20,840</b>	<b>55,506</b>	<b>52,253</b>	<b>73,361</b>
<b>Segment Assets:</b>						
Treasury	7,33,483	6,84,498	6,02,765	7,33,483	6,02,765	6,48,253
Corporate/Wholesale Banking	7,71,957	7,45,026	6,32,754	7,71,957	6,32,754	7,26,897
Retail Banking	17,89,959	17,05,005	14,13,451	17,89,959	14,13,451	15,34,342
Other Banking Operations	1,893	1,776	1,184	1,893	1,184	1,323
Unallocated	6,103	5,975	5,305	6,103	5,305	5,413
<b>Total</b>	<b>33,03,395</b>	<b>31,42,280</b>	<b>26,55,459</b>	<b>33,03,395</b>	<b>26,55,459</b>	<b>29,16,228</b>
<b>Segment Liabilities:</b>						
Treasury	1,64,112	1,61,925	44,649	1,64,112	44,649	10,104
Corporate/Wholesale Banking	9,01,405	7,54,796	5,90,126	9,01,405	5,90,126	7,18,187
Retail Banking	18,75,394	18,77,954	17,15,875	18,75,394	17,15,875	18,67,555
Other Banking Operations	-	-	-	-	-	-
Unallocated	19	323	173	19	173	19
<b>Total</b>	<b>29,40,930</b>	<b>27,94,998</b>	<b>23,50,823</b>	<b>29,40,930</b>	<b>23,50,823</b>	<b>25,95,865</b>
<b>Capital employed:</b>						
(Segment Assets-Segment Liabilities)						
Treasury	5,69,371	5,22,573	5,58,117	5,69,371	5,58,117	6,38,149
Corporate/Wholesale Banking	(1,29,448)	(9,770)	42,628	(1,29,448)	42,628	8,710
Retail Banking	(85,435)	(1,72,949)	(3,02,424)	(85,435)	(3,02,424)	(3,33,213)
Other Banking Operations	1,893	1,776	1,184	1,893	1,184	1,323
Unallocated	6,084	5,652	5,131	6,084	5,131	5,394
<b>Total</b>	<b>3,62,465</b>	<b>3,47,282</b>	<b>3,04,636</b>	<b>3,62,465</b>	<b>3,04,636</b>	<b>3,20,363</b>

1. For the above segment reporting, the reportable segments are identified as Treasury, Corporate/ Wholesale Banking, Retail Banking and Other Banking Operations in compliance with the RBI Guidelines.

The business operations of the Bank are substantially concentrated in India and for the purpose of Segment Reporting as per Accounting Standard-17, the Bank is considered to operate only in domestic segment.

2. As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022 on establishment of Digital Banking Unit (DBU), for the purpose of disclosure under 'Accounting Standard 17 - Segment Reporting', 'Digital Banking' has to be identified as a sub-segment under Retail Banking. Since, the Bank has not established DBU, Digital Banking has not been disclosed as a sub-segment under Retail Banking.



**Notes:**

- 1 The above unaudited financial results for the quarter and nine months ended December 31, 2023 have been reviewed by the Audit Committee of the Board and thereafter approved by the Board of Directors of the Bank in their respective meeting held on January 29, 2024. These results have been subjected to 'Limited Review' by the Joint Statutory Auditors of the Bank, viz M/s Mukund M. Chitale & Co., Chartered Accountants and M/s Walker Chandiook & Co LLP., Chartered Accountants and an unmodified review report has been issued. The figures for the quarter / nine months ended December 31, 2022 and for the year ended March 31, 2023 were reviewed/audited by M/s Mukund M. Chitale & Co., Chartered Accountants and M/s B S R & Co. LLP, Chartered Accountants.
- 2 These financial results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards 25 – Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI'), from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended including relevant circulars issued by the SEBI from time to time.
- 3 The Bank has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2023. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars/ directions.
- 4 The working results have been arrived at after considering the provision for standard assets including requirements for exposures to entities with unhedged foreign currency exposures, non performing assets, depreciation on investments, income tax and other usual and necessary provisions.
- 5 Other income includes fees earned from providing services to customers, commission from non-fund-based banking activities, earnings from foreign exchange transactions, selling of third-party products, profit on sale of investments (net), etc.
- 6 The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous period is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- 7 During the quarter and nine months ended December 31, 2023, the Bank has not issued any equity shares to the CSB ESOS Trust under the Employees Stock Option Scheme. During the quarter and nine months ended December 31, 2023, MD & CEO has exercised 42,750 options vested under Employee Stock Option Scheme, 2019.
- 8 Details of loans transferred / acquired during the quarter ended December 31, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
  - (i) The Bank has not transferred any Non Performing Assets (NPA), Special Mention Accounts (SMA) and Loans not in default during the quarter
  - (ii) Details of loans not in default acquired through assignment during the quarter are given below:

Aggregate amount of loans acquired (₹ in Lakhs)	24,350
Weighted average residual maturity (in months)	13.10
Weighted average holding period by originator (in months)	3.00
Retention of beneficial economic interest by the originator	10%
Tangible security coverage	100%

The loans acquired are not rated as these are to non-corporate borrowers.
  - (iii) The Bank has not acquired any stressed loans (NPA or SMA) during the quarter
  - (iv) During the quarter ended December 31, 2023, the Bank has not transferred any stressed loans to Asset Reconstruction Companies (ARC).
- 9 In accordance with RBI guidelines, Banks are required to make Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and net stable funding ratio (NSFR) under the Basel III framework. The Bank has made these disclosures which are available on its website at the link: <https://www.csb.co.in/basel-2basel-3-disclosures>. These disclosures have not been subjected to review by the Joint Statutory Auditors of the Bank.
- 10 The figures for the third quarter in each of the financial years are the balancing figures between reviewed figures in respect of the nine months end and the reviewed published year to date figures up to the end of the first half of the respective financial years.
- 11 Previous period's figures have been regrouped / reclassified, where necessary to conform to current period's classification and also the amounts / ratios for the previous period have been regrouped / reclassified pursuant to the requirements of Master Direction on Financial Statements - Presentation and Disclosures issued by Reserve Bank of India dated August 30, 2021, as amended and wherever considered necessary.

Place: Thrissur  
Date: January 29, 2024

For and on behalf of the Board

  
Pralay Mondal  
Managing Director & CEO  
DIN: 00117994





**CODE OF PRACTICES AND PROCEDURES FOR FAIR  
DISCLOSURE  
OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

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January 2024  
Version 5.0

**Prepared by : Secretarial Department  
Approved by: <Sijo Varghese> <Company Secretary>**

## Document history

Version No.	Date	Particulars	Approved by
Version 1.0	23.12.2019	First Version	Secretarial Department
Version 2.0	15.12.2020	Second Version	Secretarial Department
Version 3.0	17.12.2021	Third Version	Secretarial Department
Version 4.0	15.12.2022	Fourth Version	Secretarial Department
Version 5.0	29.01.2024	Fifth Version	Secretarial Department

## Document Contact Details

	Name	Designation
Author of the policy	Secretarial Department	
Verifier of the policy	Secretarial Department	
Approver of the policy	Sijo Varghese	Company Secretary
Policy vetted by	Audit/ Compliance/ Risk policy vetting committee	
Details of approval of Board	Board Resolution number EB-1 Dated 29.01.2024	
Document contact details		

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## 1. BACKGROUND, PURPOSE & SCOPE

### Background:

As part of Bank's commitment to transparency and good governance, this '**Code of practices and procedures for fair disclosure of unpublished price sensitive information**' ("CSB Bank UPSI Code/Code") has been framed with an objective to preserve the confidentiality of unpublished price sensitive information and to ensure fairness in dealing with all stakeholders. This Code is framed pursuant to Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, in order to set out the detailed practices and procedures for the purpose of ensuring fair disclosure of unpublished price sensitive information.

### Objects and scope:

The objective of this Code is to formulate a framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the securities issued by the Bank.

## 2. APPLICABILITY

This policy is applicable with effect from December 2, 2019.

This Code shall apply in relation to disclosure of UPSI by the Bank.

## 3. DEFINITIONS

Capitalised terms used but not defined in this Code, shall have the meaning as ascribed to such terms under the Bank's Code of Conduct- Prohibition of Insider Trading Policy' and SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

- i. "**Bank**" shall mean CSB Bank Limited, having its registered office at 'CSB Bhavan', Post Box No. 502, St. Mary's College Road, Thrissur 680 020, Kerala, India.
- ii. "**Chief Investor Relations Officer or CIRO**" shall mean the Chief Financial Officer of the Bank or such other officer as may be assigned as 'Chief Investor Relations Officer' or 'Investor Relations Officer' independently appointed in the Bank as per the Code to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner. In the temporary absence of the CIRO for any reason whatsoever, MD & CEO shall nominate any other official of the Bank to be responsible for dissemination of information and disclosure of UPSI.
- iii. "**Code of Conduct**" shall mean the 'Code of Conduct- Prohibition of Insider Trading Policy' of the Bank.
- iv. "**Compliance Officer**" shall mean the Company Secretary or such other senior officer as defined under Clause 2.5 of the Code of Conduct.
- v. "**CSB Bank UPSI Code/Code**" shall mean Code of practices and procedures for fair disclosure of unpublished price sensitive information' of the Bank.
- vi. "**Codes**" shall mean Code of Conduct – Prohibition of Insider Trading Policy' and CSB Bank UPSI Code, as amended from time to time.
- vii. "**Generally Available Information**" shall mean information that is accessible to the public on a non-discriminatory basis.
- viii. "**Insider**" shall mean any person who is a connected person or in possession of or having access to unpublished price sensitive information. Further, any person in receipt of unpublished price sensitive information pursuant to any "Legitimate Purposes" shall be considered an "Insider" for purposes of this Code and due notice shall be given to such persons to maintain confidentiality of such unpublished

price sensitive information in compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015.

- ix. **SEBI** shall mean the Securities and Exchange Board of India.
- x. **“SEBI Listing Regulations”** shall mean the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- xi. **“SEBI PIT Regulations”** shall mean the ‘SEBI (Prohibition of Insider Trading) Regulations, 2015’ as amended from time to time.
- xii. **“Unpublished Price Sensitive Information or UPSI”** shall mean any information, relating to the Bank or its securities, directly or indirectly, that is not generally available, which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:-
  - a. Financial results;
  - b. Dividends;
  - c. Change in capital structure;
  - d. Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
  - e. Changes in key managerial personnel.

#### 4. PRINCIPLES OF FAIR DISCLOSURE

The following principles of fair disclosure for the purposes of “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” shall be strictly followed by the Bank. The Bank shall promptly disclose to the public “unpublished price sensitive information” (UPSI) that would impact price discovery, no sooner than such credible & concrete information comes into being in order to make such information generally available.

- a) The Bank shall ensure that information shared with analysts and research personnel is not UPSI.
- b) The Bank shall uniformly & universally disseminate information (UPSI) and avoid selective disclosure.
- c) The Bank shall promptly disseminate UPSI that gets disclosed selectively, inadvertently or otherwise, to make such information generally available to all/public.
- d) The Bank shall render appropriate and fair response to queries on news reports and requests for verification of market rumours by regulatory authorities, if any.
- e) The Bank shall develop best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on its official website, in order to ensure official confirmation and documentation of disclosures made.
- f) The Bank shall endeavour to constantly make improvements in investor access to public announcements, in addition to release of information to Stock Exchanges.
- g) Bank has designated the Compliance Officer to oversee corporate disclosure.
- h) Compliance Officer shall ensure that the Bank complies with continuous disclosure requirements. He will co-ordinate disclosure of price sensitive information to Stock Exchanges, Analysts, Shareholders and media which will be approved by him in advance.
- i) The Compliance Officer and / or the Chief Executive Officer and / or the Chief Financial Officer shall be responsible for deciding whether a public announcement is necessary for verifying or denying any news for effectively responding to market gossips. To confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of the SEBI Listing Regulations.

- j) The Bank shall make timely and adequate disclosure of shareholding/changes in ownership/ownership by major shareholders required under the SEBI PIT Regulations/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), to the Stock Exchanges.
- k) The Bank shall notify the stock exchanges within two trading days from receipt of the disclosure or from becoming aware of an off-market trade between Insiders who are in possession of UPSI, such off-market trades shall be reported by the Insiders to the Bank within two working days.
- l) The Bank shall handle all UPSI on a need-to-know basis.

## 5. THIRD PARTY DEALINGS

In order to avoid misrepresentation or misquoting, endeavour shall be made that at least two representatives of the Bank are present in the meetings or conference calls with analysts, brokers or institutional investors. The transcripts of aforesaid conference calls or record of the proceedings of the meetings shall be made available on the website of the Bank in the manner required as per extant SEBI Listing Regulations to ensure official confirmation and documentation of the information shared during such meetings and conference calls.

## 6. RESPONSE TO MARKET RUMOURS AND QUERIES

The Chief Investor Relations Officer shall provide appropriate and fair responses to queries in relation to UPSI including any news reports, if any. A ‘No Comment’ policy must be maintained by the Bank and the Chief Investor Relations Officer on market rumours except when requested by regulatory authorities to provide clarifications or offer explanations in response to such rumours.

The Bank may on its own initiative shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of the SEBI Listing Regulations are circulating amongst the investing public. The said disclosures will be made in the manner and to the extent applicable in terms of the SEBI Listing Regulations.

## 7. NEED TO KNOW HANDLING OF UPSI:

The Bank shall handle UPSI only on a need to know basis. UPSI shall be provided only when needed for Legitimate Purposes, performance of duties or discharge of legal obligations.

Within the Bank, UPSI should be disclosed only to those who need the information to discharge their duty and whose possession of such information will not give rise to a conflict of interest or misuse of the information. All the non-public information directly received by any employee should immediately be reported to the Compliance Officer.

## 8. ADMINISTRATION

Chief Investor Relations Officer shall be responsible for dissemination and disclosure of unpublished price sensitive information to the stock exchanges in line with internal process and policies of the Bank and shall authorise the Compliance Officer of the Bank to disseminate such information to the stock exchanges and other authorities.

Chief Investor Relations Officer shall ensure the principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of unpublished price sensitive information as defined under Schedule A of the SEBI PIT Regulations and detailed in para 4 of the code are strictly followed.

## 9. CODE OF CONDUCT

The Bank and Insiders shall adhere to the prescribed standards, under the Codes.

## 10. LEGITIMATE PURPOSE

The UPSI can be shared as an exception for Legitimate Purposes (as per its "Policy for determination of Legitimate Purposes" (**Annexure A**), provided it is not shared to evade or circumvent the prohibition under the Regulation), performance of duties, or discharge of legal obligations.

## 11. STRUCTURED DIGITAL DATABASE:

In terms of Regulation 3 (5) of the SEBI PIT Regulations, the Bank shall maintain a structured digital database internally, containing the nature of UPSI and the names of such persons who have shared the information and also the names of such persons or entities with whom information is shared under the SEBI PIT Regulations along with the Permanent Account Number or any other identifier authorised by law where Permanent Account Number is not available. Any sharing of UPSI referred to in this Code should only be for Legitimate Purposes and in the ordinary course of the business. The structured digital database shall contain the information as prescribed under the SEBI PIT Regulations.

The said database shall be maintained by the Bank with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering thereof and such database shall not be outsourced under any circumstances.

## 12. PRESERVATION OF DATA BASE

The Compliance officer shall ensure that the structured digital database is preserved for a period of not less than eight years after completion of the relevant transactions and in the event of receipt of any information from the Board regarding any investigation or enforcement proceedings, the relevant information in the structured digital database shall be preserved till the completion of such proceedings.

## 13. AMENDMENT/ REVIEW OF THE POLICY

The Board of Directors of the Bank, subject to applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Code with a new code.

In any circumstance where the terms of this Code differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Code.

This Code and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI PIT Regulations and any amendment(s) or re-enactment thereto.

## Annexure-A

### POLICY FOR DETERMINATION OF LEGITIMATE PURPOSES

Pursuant to Regulation 3 (2A) of SEBI (Prohibition of Insider Trading) Regulations, 2015]

#### 1. PREFACE

This Policy, as a part of "Code of practices and procedures for fair disclosure of unpublished price sensitive information", formulated under Regulation 8 of SEBI PIT Regulations will be known as "Policy for Determination of Legitimate Purposes" hereinafter referred to as the "Policy", and is prepared in accordance with Regulation 3(2A) of SEBI PIT Regulations.

#### 2. OBJECTIVE

The objective of this Policy is to identify 'Legitimate Purposes' which will be considered as exceptions for the purpose of sharing / procuring Unpublished Price Sensitive Information (UPSI) relating to the Bank. The assessment of whether sharing of UPSI for a particular instance would tantamount to 'legitimate purpose' would entirely depend on the specific facts and circumstances of each case. Primarily, the following factors should be considered while sharing the UPSI:

- i) whether sharing of such UPSI is in the ordinary course of business of the Bank;
- ii) whether sharing of such UPSI is in the interests of the Bank or in furtherance of a genuine commercial purpose; and
- iii) whether the nature of UPSI being shared is commensurate with the purpose for which access is sought to be provided to the recipient.

#### 3. LEGITIMATE PURPOSES

"**Legitimate Purposes**" shall mean sharing of UPSI in the ordinary course of business by an Insider on a need to know basis with the following persons/entities, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the SEBI PIT Regulations:

- i. Promoters of the Bank
- ii. Auditors (Statutory, Internal, Branch, Cost, Secretarial, GST and any other Auditor as applicable)
- iii. Staff Members of the Audit firm/team conducting the Audit
- iv. Collaborators
- v. Lenders including prospective lenders
- vi. Customers
- vii. Suppliers
- viii. Merchant Bankers
- ix. Legal Advisors
- x. Insolvency Professionals
- xi. Registered Valuers
- xii. Credit rating agencies
- xiii. Consultants
- xiv. Any other advisors/consultants/partners/Service providers

Provided that while sharing information for Legitimate Purpose, the Insider should consider factors such as, whether the information is being shared for a bona fide business need, the commercial rationale for the sharing of information, whether the information shared is relevant to the purpose/usage of the same, etc.

#### 4. ISSUE OF NOTICE TO THE RECIPIENT OF UNPUBLISHED PRICE SENSITIVE INFORMATION UNDER REG. 3 (2B) OF THE SEBI PIT REGULATIONS.

Any person in receipt of UPSI pursuant to a "legitimate purpose" shall also be considered as an "insider" for the purpose of the Code, the Code of Conduct and SEBI PIT Regulations and thus such persons shall maintain

confidentiality of such UPSI in compliance with the said Codes and the SEBI PIT Regulations . A due notice shall be given to such person(s) with regard to their obligation to maintain confidentiality of such UPSI, in compliance with the above said Codes and the SEBI PIT Regulations.

The said notice shall be given to such Insider to inform:

- i. That the information shared with him / her, is an unpublished price sensitive information regarding the Bank.
- ii. His / her duties and responsibilities upon receipt of such unpublished price sensitive information and the liability attached to any misuse or unwarranted disclosure / misuse of such unpublished price sensitive information, on his/her part or by person acting on his behalf.
- iii. to maintain confidentiality of such unpublished price sensitive information, in compliance with the SEBI PIT Regulations, and the Codes failing which, the Bank would have the right to initiate appropriate legal action.

## **5. EXECUTION OF AGREEMENT, RESTRICTIONS ON COMMUNICATION AND TRADING BY INSIDERS**

The Bank shall require the Insiders (as listed in Clause “Legitimate Purposes” of this Policy) to execute agreements in order to contract confidentiality and non-disclosure obligations on the part of such Insiders and such Insiders shall keep information so received confidential, and shall not otherwise trade in securities of the Bank when in possession of UPSI.

## **6. AMENDMENT/REVIEW OF THE POLCY**

The Board of Directors of the Bank, subject to applicable laws, rules & regulations, may amend / substitute any provision(s) with a new provision(s) or replace this entire Policy with a new Policy.

In any circumstance where the terms of this Policy differ from any law, rule, regulation etc. for the time being in force, the law, rule, regulation etc. shall take precedence over this Policy.

This Policy and any subsequent amendment(s) thereto, shall be promptly intimated to the Stock Exchanges, if required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI PIT Regulations and any amendment(s) or re-enactment thereto.