

REPORT ON CORPORATE GOVERNANCE

BANK'S PHILOSOPHY ON CODE OF GOVERNANCE

The Corporate Governance Philosophy of the Bank is to promote corporate fairness, business excellence, transparency, accountability and integrity so as to maximize long-term value for all stakeholders. This philosophy is realized through the Bank's endeavour in working towards portfolio, operational and reputation excellence. Your Bank believes that Corporate Governance is not just limited to creating checks and balances; it is more about creating organizational excellence leading to increasing employee and customer satisfaction and shareholder value. The Bank always endeavours to leverage its human and capital resources to translate opportunities into reality, create awareness of corporate vision and spark dynamism and entrepreneurship at all levels. Your Bank also believes that sound corporate governance is critical to enhance and retain investor confidence. Your Bank always seeks to follow the best practices in corporate governance and in tune with the regulatory prescriptions. Your Bank recognizes the fact that they are the custodians of public money and in order to fulfil its fiduciary obligations and responsibilities, it has to maintain and continue to enjoy the trust and good will of the public at large for which, it has to follow good corporate governance practices. This approach will be central to the day-to-day functioning of the Bank and in implementation of its business strategy. Your Bank is committed to transparency in all its dealings and places uncompromising emphasis on integrity and regulatory compliance. Your Bank's adherence to Corporate Governance stems not only from the letter of law but also from inherent belief in doing business the right way.

BOARD COMPOSITION

The composition of the Board reflects a diversity of thought, backgrounds, skills, experiences and expertise and a range of tenures that are appropriate given the Bank's current and anticipated circumstances and that collectively, enable the board to perform its oversight function effectively. Bank's Corporate Governance Philosophy emphasis Directors independence which is vital and critical to effective Corporate Governance, and providing objective independent judgment that represents the interests of all shareholders is at the core of the board's oversight function. Corporate Governance Philosophy of the Bank clearly defines and understands the respective roles of the board, management and shareholders; their relationships with each other; and their relationships with all the stakeholders.

In line with the Corporate Governance Philosophy and Principles, your Bank has a broad-based Board, constituted

in compliance with the provisions of Section 10A (2) (a) of the Banking Regulation Act, 1949 and the extant guidelines issued by RBI from time to time, the Companies Act, 2013 and rules made thereunder, Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Articles of Association of the Bank and all other applicable laws and in accordance with the best practices in corporate governance.

The Composition of Board comprises of directors with different skills sets, expertise and competence, representing the areas/sectors like Agriculture, Rural Economy, Banking, Accountancy, Co-operation, Economics, Finance, MSME, Law, etc., and also having special knowledge or practical experience useful to banking companies such as Information Technology, Payment & Settlement Systems, Human Resources, Risk Management and Business Management.

The Board functions as the governing body and also through various Committees constituted to oversee specific areas. Policy formulation, setting up and review of goals, annual evaluation of performance of the Board and its Committees, etc., and control functions vested with the Board. The Committees have oversight of operational and supervisory issues assigned to them by the Board, from time to time.

The Bank, as on March 31, 2021, has eight (8) directors on its Board chaired by the Non-Executive-Independent Part-time Chairman and the Composition of Board are furnished as under:

Nature of Directorship	Category	No. of Directors
Part-time Chairman	Independent	1
Managing Director & CEO	Executive	1
Non – Executive Directors	Non-Independent	2
Non – Executive Directors	Independent	2*
Non – Executive Woman Directors	Independent	2

* Mr. Syed Nagoor Ali Jinnah (DIN: 05238633), Independent Director, resigned on April 19, 2021, hence the number of directors in this category is one from the date of resignation.

PROFILE OF DIRECTORS

Mr. Madhavan Aravamuthan (DIN 01865555), Non – Executive Independent (Part-Time) Chairman

Mr. Madhavan Aravamuthan was appointed as Part-time Chairman of the Bank effective from August 10, 2020 and

has been associated with the Bank since December 13, 2018. He is a seasoned Banker having served Reserve Bank of India for over thirty seven years in various Banking areas and capacities in RBI. He is a Post graduate in Economics from Madras University and a Certified Associate of Indian Institute of Bankers. His skill sets include deep knowledge of IT Systems, Payment & Settlement Systems, Offsite surveillance of Banks, etc. E-Kuber CBS system for the Reserve Bank of India was conceptualised, implemented and rolled out after effecting Business Process Re-engineering by Mr. Madhavan Aravamuthan. He had also significantly contributed in the preparation of RFP for RTGS and HRMS solutions of the Reserve Bank. He was earlier on the Board of erstwhile Bank of Rajasthan as Additional Director appointed by Reserve Bank of India.

**Mr. C.VR. Rajendran (DIN 00460061),
Managing Director and Chief Executive Officer**

Mr. C.VR. Rajendran was appointed as the Managing Director & CEO of the Bank with effect from December 9, 2016 and re-appointed for a period of three years with effect from December 9, 2019 after completion of his initial term on December 8, 2019. Mr. Rajendran is a seasoned banker with solid grassroots level Indian banking experience spanning more than three and a half decades. He has hands-on cross functional experience in every aspects of banking spread across Branch Operations, NPA / Asset Quality Management, Business Process Re-engineering, Productivity Enhancement, Corporate Industrial Finance, Merchant Banking, Treasury Operations, International Banking, Primary Dealership, Collection and Payment Services and Information Technology.

Mr. Rajendran was holding the position of Chief Executive Officer of the Association of Mutual Funds in India prior to joining in the Bank. Prior to this, he has held other key positions like Chairman & Managing Director of Andhra Bank (December 2013 – April 2015) and as Executive Director at Bank of Maharashtra (March 2012 – December 2013). He has also held various positions including that of General Manager in the Corporation Bank (1978 – 2012).

**Mr. Madhavan Menon (DIN 00008542),
Non – Executive – Non Independent Director**

Mr. Madhavan Menon is a Non – Executive Director of the Bank and has been associated with the Bank since September 3, 2018. Mr. Madhavan Menon was the Part Time Chairman of the Bank for the period from April 22, 2019 to July 21, 2020. He has a varied background having commenced his career in ANZ Grindlays Bank and subsequently worked in Citibank, Emirates Bank and in the Financial Services Division of the Aditya Birla Group. His areas of interest include Treasury, Corporate Lending, Operations, Corporate Governance and Strategic Planning. Mr. Menon is presently the Chairman & Managing Director of Thomas Cook (India) Ltd (TCIL), a Fairfax Company, which is the leading integrated travel and travel related financial services company in the country, offering a broad

spectrum of services that include Foreign Exchange, Corporate Travel, MICE, Leisure Travel, Insurance, Visa & Passport Services and E-Business. Mr. Menon holds Directorships in various subsidiaries of TCIL and is also the Chairman of the Fairfax India Charitable Foundation that focusses on bringing down the cost of treating kidney related ailments in the country. Mr. Madhavan Menon is one of the two directors nominated by promoters of the Bank, M/s. FIH Mauritius Investments Ltd.

**Mr. Sumit Maheshwari (DIN 06920646),
Non – Executive – Non Independent Director**

Mr. Sumit Maheshwari is a Non – Executive Director of the Bank and has been associated with the Bank since September 3, 2018. He is a qualified Chartered Accountant, holds a Master of Business Administration degree from the Indian School of Business, Hyderabad and Master of Commerce degree from the University of Mumbai. Mr. Maheshwari specializes in Indian GAAP, U.S. GAAP and IFRS accounting standards. Mr. Maheshwari joined Fairbridge Capital, Mumbai, Fairfax Financial Holdings Limited's and Fairfax India Holdings Limited's India investment arm in 2011, from its inception. Prior to being named the Managing Director & Chief Executive Officer of Fairbridge Capital in 2018, Mr. Maheshwari has been involved in and has been a critical part of building the Fairbridge Capital organization. During his tenure at Fairbridge Capital, Mr. Maheshwari has sourced, evaluated and recommended most of the transactions completed by Fairfax Financial Holdings Limited and Fairfax India Holdings Limited. He also played a key role in the completion of these transactions and is involved in the monitoring of the portfolio companies. Mr. Maheshwari was a key member of the team that completed, among others, Thomas Cook (India) Limited, Qess Corp Limited, Sterling Holiday Resorts (India) Limited, IIFL Holdings Limited, Bangalore International Airport Limited, National Collateral Management Services Limited and Fairchem Specialty Limited. Mr. Maheshwari serves on the board of directors of many of the Company's and Fairfax's portfolio companies in India. Mr. Sumit Maheshwari is one of the two directors nominated by promoters of the Bank, M/s. FIH Mauritius Investments Ltd.

**Mrs. Bhama Krishnamurthy (DIN 02196839),
Independent Director**

Mrs. Bhama Krishnamurthy is an Independent Director of the Bank and has been associated with the Bank since September 3, 2018. Mrs. Bhama Krishnamurthy, is a seasoned banker with a sparkling career spanning over 35 years in IDBI (presently IDBI Bank) and SIDBI, an Apex Development Bank for MSMEs in India covering almost all areas of development banking operations, viz., Resource Raising and Management (Rupee and Forex), Integrated Treasury operations, Credit Dispensation and Management, Risk Management, Management of Associates and Subsidiaries, etc. not only from policy perspectives but implementation aspects, besides direct credit functions including as Head of Branch

operations and member of various credit committees. Had also handled Human Resources Development division covering recruitment, training and promotion aspects. She retired as Country Head and Chief General Manager from SIDBI in December 2014. She has also served on the Boards of several companies venture funds and CIBIL as Nominee of SIDBI. Mrs. Bhama Krishnamurthy was instrumental in bringing about several policy changes in various State Financial Corporations, while serving on the Boards, as nominee of SIDBI.

**Mr. Syed Nagoor Ali Jinnah (DIN 05238633),
Non – Executive Independent Director**

Mr. Syed Nagoor Ali Jinnah is an Independent Director of the Bank and has been associated with the Bank since March 6, 2019. Mr. Jinnah, retired as Chief General Manager, NABARD, Tamil Nadu Regional Office, Chennai in 2018 is an experienced banker who has a fine blend of academics and Pan Indian insights with diverse operational, consulting and policy making experience in addition to international exposure in development banking, supervision and institutional development. He is a Science Graduate in Agriculture from Tamilnadu Agricultural University with a Postgraduate Diploma from Indian Institute of Management, Ahmedabad. Mr. Syed Nagoor Ali Jinnah was involved in designing and refinancing large area development projects in agriculture in 16 states of the country and was part of the anti-poverty and micro credit programmes in the State of Orissa and Kerala. Mr. Jinnah designed and implemented high value agricultural projects in Andhra Pradesh, Kerala, Karnataka, Tamil Nadu and Puducherry as a NABARD Executive. Mr. Jinnah was a Director in the Boards of Regional Rural Banks (RRB), Tamil Nadu State Co-operative Bank, Karnataka State Cooperative Agriculture & Rural Development Bank and NABARD Financial Services Ltd. He also has headed the operations of NABCONS, a wholly owned subsidiary of NABARD at Tamil Nadu & Puducherry. He has served as the Chairman of NABARD's Internal Working Group / Committees on 'Future Business Model for NABARD', and 'Work Processes, Promotion Policies and Recruitment in NABARD'. He resigned from the Board of the Bank with effect from April 19, 2021.

**Mrs. Sharmila Abhay Karve (DIN: 05018751),
Additional Director (Non – Executive Independent)**

Mrs. Sharmila Abhay Karve is an Additional Director (Non-executive Independent) of the Bank and has been associated with the Bank since July 20, 2020. Mrs. Sharmila Abhay Karve is a member of The Institute of Chartered Accountants of India and is also a Commerce Graduate from Mumbai University. Ms. Sharmila has over three decades of association with the Network of Price Waterhouse firms in India in various capacities till she retired on 30th of June 2019. In the Price Waterhouse India network, Ms. Sharmila held various positions. She was an audit partner for several Indian and Multinational clients for many years. She was

appointed as the Ethics and Business Conduct Leader for the firms and was also elected to the Partnership Oversight Committee (POC) which is responsible for governance and oversight. Later, she took over as the Head of Audit. She has also been the Head for Risk & Quality, which restructured the risk profile of their clients' products and services and implemented mitigating controls. In 2017, she was appointed as the Diversity & Inclusion Leader for the PwC Global network and was on the Global Leadership Team and the Global Human Capital Team.

**Mr. Sudhin Choksey (DIN: 00036085)
Additional Director (Non – Executive Independent)**

Mr. Sudhin Choksey is an Additional Director (Non – Executive Independent) of the Bank and has been associated with the Bank since March 30, 2021. Mr. Choksey has overall 42 years of professional experience, both in India and Overseas. Mr. Sudhin Choksey was the former Managing Director of GRUH Finance Ltd. which was merged with Bandhan Bank. As a part of the scheme of merger, Mr. Sudhin Choksey joined Bandhan Bank as Executive Director (Designate) in October 2019 and retired on February 16, 2021. Mr. Choksey was an experienced CEO at GRUH Finance with a demonstrated history of working in the mortgage finance business and skilled in lending business. During the span of 26 years of working with GRUH Finance, he has held various positions including that of General Manager, Executive Director, Chief Executive Director and Managing Director. At Bandhan Bank, he was the vertical head of the housing finance business. Mr. Choksey has also served as an Independent Director on the Boards of many listed and unlisted companies. Mr. Sudhin Choksey is a fellow member of the Institute of Chartered Accountants of India and has done his graduation in Commerce (Honours) from The Sydenham College of Commerce & Economics, Bombay University. He was the recipient of BUSINESS LEADER – FINANCIAL SERVICES Award for 2015 from The Institute of Chartered Accountants of India, New Delhi.

RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the Directors of the Bank are related to one another.

LIST OF CORE SKILLS/EXPERTISE/COMPETENCIES IDENTIFIED BY THE BOARD

Board, in tune with the provisions of Section 10A (2) (a) of the Banking Regulation Act, 1949 and the extant guidelines issued by RBI from time to time and other applicable rules and regulations have identified Accountancy, Agriculture, Rural Economy, Banking, Co-operation, Economics, Finance, SSI, Law, Information Technology, Payment & Settlement Systems, Human Resources, Risk Management and Business Management as the Core Skills/ Practical Experience/Special Knowledge/ Competencies as required in the context of its business(es) and sector(s) for it to function effectively.

COMPOSITION OF THE BOARD OF DIRECTORS OF THE BANK AND DIRECTORS' ATTENDANCE AT THE BOARD AND LAST ANNUAL GENERAL MEETING/S

Name of Director	Executive / Non - Executive Director	Independent / Non - Independent Director	Nature of interest/skill set represented on the Board as per the section 10A(2)(a) of Banking Regulation Act, 1949 and Regulation 34(3) read with Schedule V of the Listing Regulations	No. of Board Meetings		Attendance of last AGM held on 20.07.2020
				Held during the tenure	Attended	
Part-time Chairman						
Mr. Madhavan Aravamuthan *	Non – Executive	Independent	Banking, Economics, Finance, IT and Payment and Settlement Systems	14	14	Present
Managing Director & CEO						
Mr. C. VR. Rajendran	Executive	Non – Independent	Banking	14	14	Present
Directors						
Mr. Madhavan Menon #^^	Non – Executive	Non – Independent	Banking and Finance	14	14	Present
Mr. Sumit Maheshwari ~ ^^	Non – Executive	Non – Independent	Accountancy and Finance	14	13	Present
Mrs. Bhama Krishnamurthy	Non – Executive	Independent	Banking, Small Scale Industry and Risk Management	14	14	Present
Mr. Syed Nagoor Ali Jinnah **	Non – Executive	Independent	Agriculture, Rural Economy & Co- operation	14	14	Present
Ms. Sharmila Abhay Karve^	Non – Executive	Additional Director (Independent)	Accountancy and Finance	8	8	NA
Mr. Sudhin Choksey@	Non – Executive	Additional Director (Independent)	Accountancy, Finance and Banking	0	0	NA
Mr. Thomas Mathew\$	Non – Executive	Independent	Accountancy and Finance	8	8	Present

* appointed as Part-time Chairman w.e.f August 10, 2020.

term of appointment as Part-time Chairman completed on July 21, 2020.

** resigned from the Board of the Bank w.e.f. April 19, 2021.

~ re-appointed as Director, liable to retire by rotation at the Annual General Meeting held on July 20, 2020.

^ appointed as an Additional Director (Non-Executive Independent) for a tenure of 3 (three) years w.e.f. July 20, 2020.

@ appointed as an Additional Director (Non-Executive Independent) for a tenure up to January 30, 2024 w.e.f. March 30, 2021.

\$ retired from the office of directorship with effect from September 25, 2020, upon completion of his term of appointment.

^^ nominated by promoters of the Bank, M/s. FIH Mauritius Investments Ltd.

BOARD MEETINGS

During the Financial Year 2020–21, your Bank had 14 Board Meetings as detailed below:

13.05.2020	09.06.2020	15.06.2020	19.06.2020	22.06.2020	20.07.2020	19.08.2020
27.08.2020	28.09.2020	19.10.2020	15.12.2020	19.01.2021	15.03.2021	30.03.2021

DIRECTORSHIP AND COMMITTEE MEMBERSHIP DETAILS OF THE DIRECTORS AS ON MARCH 31, 2021

Sl. No	Name of the Director	No. of Directorship in listed entities	Names of the Listed Entities including the Bank and the Category of Directorship		No. of other Directorships in Public Limited Companies including the Bank and Committee Memberships and Chairmanships		
			Names of the Listed Entities	Category	Directorships	Committees*	
						Chairman	Member
1.	Mr. Madhavan Aravamuthan	1	1. CSB Bank Limited	Independent Director	1	0	ACB – 1 SRC – 0
2.	Mr. C. VR. Rajendran	1	1. CSB Bank Limited	Managing Director & CEO	2	0	ACB – 1 SRC – 1
3.	Mr. Madhavan Menon	2	1. CSB Bank Limited	Non-Executive Director	5	0	ACB – 4 SRC – 1
			2. Thomas Cook (India) Limited	Chairman & Managing Director			
4.	Mr. Sumit Maheshwari	3	1. CSB Bank Limited	Non-Executive Director	9	0	ACB – 5 SRC – 1
			2. Thomas Cook (India) Limited	Non-Executive Director			
			3. Privi Speciality Chemicals Limited	Non-Executive Director			
5.	Mrs. Bhama Krishnamurthy	5	1. CSB Bank Limited	Independent Director	8	0	ACB – 6 SRC – 1
			2. Reliance Industrial Infrastructure Limited	Independent Director			
			3. Network18 Media & Investments Limited	Independent Director			
			4. Cholamandalam Investment and Finance Company Limited	Independent Director			
			5. Thirumalai Chemicals Limited	Independent Director			
6.	Mr. Syed Nagoor Ali Jinnah**	1	1. CSB Bank Limited	Independent Director	2	SRC – 1	ACB – 1 SRC – 1
7.	Mrs. Sharmila Abhay Karve	3	1. CSB Bank Limited	Independent Director	9	ACB – 3 SRC – 1	ACB – 5 SRC – 2
			2. EPL Limited	Independent Director			
			3. Syngene International Limited	Independent Director			
8.	Mr. Sudhin Choksey	1	1. CSB Bank Limited	Independent Director	1	0	0

* Membership in committees denotes Audit Committee of the Board (ACB) and Stakeholders Relationship Committee (SRC) only, including membership details in the Bank.

**resigned from the Board of the Bank with effect from April 19, 2021.

AFFIRMATION UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

- a. None of the Directors of the Bank were members in more than ten committees or act as chairperson of more than five committees across all listed entities in which he/she is a director.
- b. None of the Independent Directors of the Bank held Directorship in more than seven listed companies.
- c. Whole Time Director of the Bank is not serving as an Independent Directors in any other listed companies.

BOARD PROCEDURE

Board evaluates its operational, strategic, financial performance and provides strategic directions, effectiveness of the Bank's management policies, risks and opportunities as well as its conduct. Boards exercise their responsibilities by clearly setting out the policy guidelines within which they expect the management to operate. Given the pivotal role, the Board and its Committees, oversees that the management serves long-term objectives and enhances stakeholder value. The Board has complete access to all the relevant information within the Bank.

The date, time and place of the meetings are advised to all Directors well in advance. The agenda papers which provide all relevant, adequate, material information, explanatory notes, etc., are sent to the Board of Directors in compliance with the provisions of the Companies Act, 2013, Secretarial Standards and Listing Regulations. The Board is presented with the information on various important aspects of business operations, risk, new initiatives, budgets, financial results, human resources, compliance, financial inclusion, customer protection and minutes of the Committees of the Board and such other matters as are required to be placed before the Board in tune with the regulatory and statutory guidelines instructions. The Bank follows the Reserve Bank of India circular no. DBR No.BC.93/29.67.001/2014-15 dated May 14, 2015, which advises banks to review/discuss seven critical themes prescribed by the Nayak Committee namely, business strategy, financial reports and their integrity, risk, compliance, customer protection, financial inclusion and human resources. The members of the Board exercise due diligence in performance of their functions as Directors of the Bank and follow highest degree of business ethics, transparent practices and code of good governance amidst cordial environment.

Directors are being provided with all the agenda of the meetings of the Board and Committees in soft format by uploading the same to a digital meeting platform for exclusive use of by them and the invitees to the meetings. Directors and members of the Committee are provided with video conferencing facility to participate in the meetings of the Board and Committees.

The Board also passes resolutions by circulation along with necessary papers which are circulated to enable the Directors for informed decision making and to seek clarification as may be required which are due to exigent business matters and the said resolutions are noted in the subsequent Board/Committee Meetings.

Minutes of the Board and Board Committees are being circulated to all the Board and Committee Members within the time lines prescribed under the Companies Act, 2013 and other regulatory guidelines. The Bank has in place, a post meeting follow-up procedure, which will track the observations/decision taken by the Board/ Board Level Committee Meeting till the closure of such observations/decision. An Action Taken Report (ATR) is being placed before the Board/Board Level Committee on regular intervals. Periodical Compliance Report on various compliances as insisted under the Companies Act, 2013, SEBI Regulations and as per the extant guidelines issued by the Bank, will be placed to the Board and various committees for review and rectify instances of non-compliance, if any.

REMUNERATION OF THE DIRECTORS

(a) Part-time Chairman

Mr. Madhavan Aravamuthan (DIN: 01865555) was appointed as Part-time Chairman of the Bank with effect from August 10, 2020 for the term up to June 28, 2022 which coincides with his current term as independent director of the Bank.

The payment of remuneration/ honorarium and sitting fees to Mr. Madhavan Aravamuthan, Part-time Chairman is in accordance with the terms of appointment as approved by Reserve Bank of India, and subject to approval of the shareholders of the Bank, as applicable.

Mr. Madhavan Aravamuthan was paid ₹ 11,56,451/- (Gross), being the remuneration for the period starting from the date of his appointment as Part-time Chairman on 10.08.2020 and up to 31.03.2021. Apart from, the Bank has paid, ₹ 14,10,000/- (Gross) as sitting fee for the period 01.04.2020 to 31.03.2021.

(b) Managing Director & CEO

Mr. C.V.R. Rajendran (DIN: 00460061) was re-appointed as the Managing Director & CEO of the Bank for a term of three years with effect December 9, 2019 up to December 8, 2022.

The remuneration paid to Managing Director & CEO is in accordance with the terms of appointment/ re-appointment as approved by Reserve Bank of India and shareholders of the Bank, as applicable and the service contract executed with him in this connection.

Mr. C.VR. Rajendran was paid ₹ 3,03,07,526.70 (Gross), being the fixed pay and perquisites for the period 01.04.2020 to 31.03.2021 and the variable pay (non-deferral portion) for the FY 2019 and FY 2020. Pursuant to the approval of Reserve Bank of India received on May 4, 2020 in term of Section 35B of the Banking Regulation Act, 1949, the fixed pay and perquisites of Mr. C.VR. Rajendran was increased from ₹ 75 lac p.a., to ₹ 200 lac p.a., with effect from January 10, 2020.

Bank on July 05, 2021, submitted the application with Reserve Bank of India again, being the proposal to revise the fixed pay and perquisites of Shri. C. VR. Rajendran, Managing Director & CEO from the present limit of ₹ 200 lac p.a., to ₹ 240 lac p.a., with effect from April 1, 2020 and for a variable pay of ₹ 6 crore (cash and stock options) for the financial year 2020-21 and approval from RBI is awaited.

The Bank, on May 4, 2020, received approval of Reserve Bank of India in terms of Section 35B of the Banking Regulation Act, 1949 for payment of a variable pay of ₹ 45 lac to Shri. C.VR. Rajendran, Managing Director & CEO, for the period from April 1, 2018 to March 31, 2019, which being 60 % of the gross annual salary for the said period, which is subject to malus/claw back arrangements for the deferral payments.

Further, the Bank, on November 30, 2020, received approval of Reserve Bank of India in terms of Section 35B of the Banking Regulation Act, 1949 for payment of a variable pay of ₹ 70 lac to Shri. C.VR. Rajendran, Managing Director & CEO, for the period from April 1, 2019 to March 31, 2020, which being approximately 70 % of the gross annual salary for the said period, which is subject to malus/claw back arrangements for the deferral payments.

Nomination & Remuneration Committee of the Board on receipt of approval of Reserve Bank of India on March 23, 2021, granted 4,33,150 stock options @ ₹ 75/- per option on March 30, 2021 to Shri. C. VR. Rajendran, Managing Director & CEO of the Bank as performance grant for the period from December 9, 2016 to March 31, 2020 under CSB Employee Stock Option Scheme 2019. The Bank originally sought approval of Reserve Bank of India for grant of 34,70,000 stock options which were reduced initially to 18,00,000 options and subsequently to 17,86,400 options against which approval has been received from RBI for grant of stock options for a fair value of ₹ 7.5 crore for the same period with a condition that the intrinsic value of options to be granted shall not be more than ₹ 7.5 crore as on the date of RBI approval i.e. March 23, 2021. Accordingly, the Bank granted 4,33,150 options equivalent to the intrinsic value as per RBI letter. Options granted to him will be vested equally

over a period of three years and shall be exercised over the period commencing from the date of 1st vesting of Options and ending on or before March 31, 2024.

The service contract, dated December 9, 2016, executed with the Managing Director & CEO covering all the terms and conditions of the appointment has been amended/modified on December 9, 2019, post re-appointment of him as the Managing Director & CEO, for a period of three years with effect from the said date. The service contract was further amended on May 13, 2020, December 15, 2020 and March 30, 2021 to incorporate the revision in the fixed pay and perquisites with effect from January 10, 2020, payment of variable for the FY 2019 and FY 2020 and grant of 4,33,150 stock options @ ₹ 75/- per option, made on March 30, 2021 to him.

Details of the remuneration paid to the Managing Director & CEO are provided in Annexure-VII which forms part of the Directors Report.

(c) **Non-Executive Directors**

Non-Executive-Independent Directors were paid sitting fees at ₹ 50,000/- for attending the Board Meeting, ₹ 30,000/- for Management Committee, Audit Committee and Risk Management Committee Meetings and ₹ 10,000/- for rest of the Committee Meetings throughout the financial year.

No remuneration/sitting fee was paid to the Directors nominated by FIH Mauritius Investments Ltd., on the Board of the Bank.

The Bank did not pay any amount to directors by way of salary and perquisites except to the MD & CEO. However, remuneration/honorarium was paid to Mr. Madhavan Aravamuthan, Part-time Chairman in accordance with the terms of his appointment as Part-time Chairman, approved by Reserve Bank of India.

There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Bank except normal banking transactions and related party transactions, which were disclosed in the Report to the extend as required.

The criteria of making payments to Non-Executive Directors, is displayed on the website of the Bank <https://www.csb.co.in/pdf/Remuneration-criteria-for-non-Executive-or-Independent-Directors.pdf>

Details of remuneration paid to Non-Executive Directors for attending Board and Committee Meetings for the fiscal 2020-21 are provided in the Annexure-VII which forms part of the Directors Report.

None of the Executive/Non-Executive Directors except Mr. C.VR. Rajendran, Managing Director & CEO

are holding shares or convertible instruments in the Bank. The Bank on March 30, 2021, granted 4,33,150 stock options @ ₹ 75/- per option to Mr. C. VR. Rajendran, Managing Director & CEO as performance grant for the period from December 9, 2016 to March 31, 2020 under CSB Employee Stock Option Scheme 2019. Options granted will be vested equally over a period of three years and shall be exercised over the period commencing from the date of 1st vesting of Options and ending on or before March 31, 2024.

CRITERIA FOR APPOINTMENT AS DIRECTOR OF THE BANK

Nomination & Remuneration Committee (NRC) of the Board shall identify and ascertain the qualification, expertise, experience, track record, integrity, etc., of the person who is considered for being appointed/reappointed as Director of the Bank and shall carry out the prescribed due diligence exercise in compliance of the extant guidelines of the Reserve Bank of India on Fit and Proper criteria, applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

Terms and Conditions for appointment of Independent Directors shall be governed by the provisions of the Companies Act, 2013, the rules made there under, Listing Regulations from time to time and having regard to the provisions of the Banking Regulation Act, 1949 as amended from time to time and the extant guidelines of RBI and Articles of Association of the Bank. The Bank will issue a formal Letter of Appointment to Independent Directors at the time of their appointment. The terms and conditions of appointment of Independent Directors has been disclosed on the website of the Bank at https://www.csb.co.in/pdf/Independent-Directors_Terms_and_Conditions.pdf

AFFIRMATION BY INDEPENDENT DIRECTORS

The Independent Directors have confirmed that they have met the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 and the rules made thereunder. Also confirmed that they have also met the criteria of independence as provided in clause (b) of sub-regulation (1) of regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge their duties with an objective independent judgment and

without any external influence. On the basis of this, the Board of Directors opines that the Independent Directors of the Bank fulfil the conditions specified in Companies Act, 2013 and Listing Regulations and are independent of the management.

Further, pursuant to rule 6(3) of The Companies (Appointment and Qualifications of Directors) Rules, 2014, the Independent Directors of the Bank had affirmed that, they had registered as an Independent Director in the Independent Directors Data Bank as required under rule 6(1) and 6(2) of The Companies (Appointment and Qualifications of Directors) Rules, 2014 and are also complied with the requirements of passing the online proficiency self-assessment test/exempted from online proficiency self-assessment test in terms of Rule 6(4) of The Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended.

TRAINING PROGRAMME TO DIRECTORS

The Directors of the Bank are encouraged to attend the training programmes being organized by various regulators/bodies/institutions on roles, rights, responsibilities in the Bank, nature of the banking industry, business model, risk management system and technology of the Bank. This enables the Directors to make informed decisions in the interest of the Bank and its stakeholders.

Non-Executive Directors are provided with a formal letter of appointment with all materials related to their roles, rights, responsibilities in the Bank as well as with the nature of industry and business model of the Bank at the time of their appointment as Director and through periodical presentations on economy & industry overview, key regulatory developments, strategy and performance. This enables the Directors to have a clear picture of the Bank and make informed decisions in the interest of the Bank and its stakeholders.

Pursuant to the Listing Regulations, your Bank is required to induct familiarisation programme for Independent Directors of the Bank in the above line. The details of familiarisation programmes arranged in the FY 2021 are available in the website of the Bank at the link <https://www.csb.co.in/pdf/FAMILIARISATION-PROGRAMMES-FOR-DIRECTORS.pdf>

SUCCESSION PLANNING

Succession planning at the Bank is the identification of Board, Key Management positions and other specialized areas/functions which are critical for the bank's business continuity, operations and growth. Succession planning at the Bank to ensure that the Bank is prepared with a plan to support operations and business continuity. Building up and nurturing a talent pool of qualified, experienced

and motivated employees for taking on higher roles and responsibilities as and when gaps arise. Careful planning and preparation is also necessary to manage the changes that result from a generational transfer of leadership as well as the ongoing changes that occur regularly when key employees leave the Bank. The Succession Planning Policy of the Bank, seeks to do so.

Nomination and Remuneration Committee of the Bank works with the Board on the leadership succession plan and also prepares contingency plans for succession in case of any exigencies. The Bank follows a succession planning as part of its Nomination and Human Resource Management (HRM) Policy which involves assessing the likely gap in Board/leadership/management, developing the succession planning model, implementation of the plan and continuous evaluation and assessment.

DIRECTORS AND OFFICERS INSURANCE

The Bank had undertaken Directors and Officers insurance ('D & O insurance') for all its Directors, including Independent Directors, for a quantum and risks as determined by the Board of Directors of the Bank from time to time.

BOARD'S COMMITTEES

Various Committees of Directors have been constituted by the Board for taking informed decisions in the best interest of the Bank. These Committees monitor the activities falling within their respective terms of reference. Some of the Committees of the Board were reconstituted, and terms of reference were revised to align with the provisions of the Companies Act, 2013, Listing Regulations, The Banking Regulation Act, 1949 and the relevant RBI guidelines in this regard. No recommendation of the Committees, which is mandatorily required to be accepted, have been rejected by the Board in the financial year under review.

The Board's Committees are as follows:

Audit Committee of the Board

The Audit Committee of the Board (ACB) was constituted by a resolution of the Board at their meeting held on June 6, 1994 and was last reconstituted on September 28, 2020.

1. The objectives and Key Functions:

- a) Oversight of the Bank's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Oversight of the integrity of the Bank's financial statements;
- c) Oversight of the Bank's systems of disclosure controls and procedures, internal controls over financial reporting, and compliance with ethical standards adopted by the Bank;

- d) Oversight of auditing processes of the Bank, both internal and external and independence of the audit function in the Bank;
- e) Oversight of the performance of the Bank's independent auditor, internal audit and compliance functions;
- f) Oversight of the Bank's compliances with legal and regulatory requirements.

2. Duties and responsibilities

- a) Reviewing, with the management, the quarterly and annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. management letters/letters of internal control weaknesses issued by the statutory auditors/ internal auditors of the Bank;
 - iv. major accounting entries involving estimates based on the exercise of judgment by management;
 - v. significant adjustments made in the financial statements arising out of audit findings;
 - vi. compliance with listing and other legal requirements relating to financial statements;
 - vii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Bank modified opinion(s) in the draft audit report.
- b) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- c) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and

- seniority of the official heading the department, reporting structure coverage and frequency of internal audit; the follow up and compliance of inspection/audit reports;
- d) Reviewing the inspection reports of specialized and extra-large branches and all branches with unsatisfactory ratings, obtaining and reviewing half yearly reports from the compliance officers appointed in the Bank, following up on all the issues raised in the long form audit report and following up on all the issues/concerns raised in the inspection reports of RBI;
 - e) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process; Recommendation for appointment, remuneration and terms of appointment of auditors of the Bank;
 - f) Evaluation of internal financial controls and risk management systems;
 - g) Approval of payments to statutory auditors for any other services rendered by the statutory auditors;
 - h) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - i) Discussion with internal auditors of any significant findings and follow up there on;
 - j) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 - k) Reviewing the periodical reviews/returns/statements placed before it as per the approved calendar of items.
 - l) Approval or any subsequent modification of transactions of the Bank with related parties;
 - m) Review internal audit reports relating to internal control weaknesses;
 - n) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - o) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Bank and its shareholders
- b) Review of Statement of deviations:
 - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
 - c) Review the functioning of the whistle blower mechanism;
 - d) Oversight over the vigil mechanism established by the Bank and the chairman of Audit Committee shall directly hear grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns;
 - e) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - f) Approval of the appointment of the chief financial officer after assessing the qualifications, experience and background, etc., of the candidate;
 - g) Reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
 - h) Approval or any subsequent modification of transactions of the Bank with related parties;
 - i) Scrutiny of inter-corporate loans and investments;
 - j) Valuation of undertakings or assets of the company, wherever it is necessary;
 - k) Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee;
 - l) To review Management discussion and analysis of financial condition and results of operations.

3. Other Responsibilities

- a) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

Composition of Audit Committee:

The Composition of the Audit Committee and details of participation of the Members at the Meetings of the Committee during the year were as under:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mrs. Sharmila Abhay Karve, Chairperson*	5	5
Mr. Madhavan Menon	9	8
Mr. Madhavan Aravamuthan	9	9
Mr. Syed Nagoor Ali Jinnah^	9	9
Mr. Thomas Mathew#	5	5

* appointed as the member of the Committee w.e.f August 20, 2020 and Chairperson of the Committee w.e.f September 29, 2020.

^ ceased to be a Director of the Bank/Member of the Committee w.e.f. April 19, 2021.

ceased to be a member and Chairman of the Committee w.e.f September 25, 2020, upon completion of his term of appointment.

The Company Secretary acts as the Secretary to the Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting.

During the year under review, there were no instances of non-acceptance of the recommendation of the Audit Committee, by the Board of Directors.

During the year, Audit Committee met 9 times and not more than one hundred and twenty days lapsed between two consecutive meetings of the Audit Committee of the Board. The dates of the meetings are as under:

15.06.2020	22.06.2020	29.06.2020	19.08.2020	21.09.2020
19.10.2020	15.12.2020	18.01.2021	26.02.2021	

Management Committee

Terms of reference

(i). Sanctioning Credit facilities

The Committee shall discharge and exercise the Credit sanctioning powers delegated to it under Discretionary Powers for Sanctioning of Credit Facilities by the Board. The Committee also reviews the periodical Reviews>Returns/Statements placed before it as per the approved calendar of items.

A monthly consolidated statement of Credit sanctioning powers, etc., exercised by the Committee is put up to the Board for information and control purposes.

(ii). HR and Admin Functions

The Committee shall discharge and exercise the powers and functions, inter alia administrative, including financial matters related to human resource management.

(iii). Other functions

- a) Reviews the periodical Reviews>Returns/Statements placed before it as per the approved calendar of items.
- b) Assist/support the Board and Management to develop business ideas and optimize the operations in a better and most efficient manner.
- c) Empowered with the powers to take investment strategy/decision in Financial Markets.
- d) Functioning as Review Committee in the mechanism for identification of borrowers as wilful defaulters.
- e) Discharge such functions and other responsibilities as may be delegated by the Board of Directors from time to time.

Composition

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mrs. Bhama Krishnamurthy, Chairperson	11	11
Mr. C. VR. Rajendran	11	11
Mr. Sumit Maheshwari	11	11
Mr. Sudhin Choksey*	0	0
Mr. Syed Nagoor Ali Jinnah #	2	2

*appointed as member of the Committee w.e.f March 30, 2021

ceased to be a member of the Committee w.e.f July 10, 2020.

The Committee met 11 times during the financial year 2020–21 and the dates of the meetings are as under:

13.05.2020	09.06.2020	20.07.2020	18.08.2020	21.09.2020	30.10.2020
30.11.2020	08.01.2021	10.02.2021	23.02.2021	15.03.2021	

Risk Management Committee

Terms of reference

Risk Management Committee, the apex body of the Bank's risk management architecture, is responsible for aligning various risk management policies of the Bank with the risk appetite and risk philosophy articulated by the Board.

The role of the Committee shall, inter alia, include the following:

- a) To formulate a detailed risk management policy and strategy which shall include:
 - i. A framework for identification of internal and external risks specifically faced by the Bank, in particular including credit, financial, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - ii. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - iii. Business continuity plan.
 - iv. Devise a process to contain operational risk and manage risks which are critical to the Bank's operations including non-financial risks and Strategic Risks.
- b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d) To periodically review the risk management policy and plan, every year, including by considering the changing industry dynamics and evolving complexity;
- e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- g) To effectively co-ordinate between the credit risk management committee, asset liability management committee and other risk management committees of the Bank, if any;
- h) The Committee functions as the Managerial and Supervisory Committee of Directors for asset liability management functions;
- i) To review cyber security related matters;
- j) To review the periodical returns/reviews/statements placed before it as per the approved calendar of items;
- k) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;
- l) To maintain close co-ordination with Nomination & Remuneration Committee in order to achieve effective alignment between remuneration and risks;
- m) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of directors;
- n) To review Stress Testing Results & Back-testing report;
- o) To review the Asset Liability Management (ALM) of the Bank on a regular basis; and
- p) Any other functions as may be stipulated by SEBI, Ministry of Corporate Affairs, RBI, Stock Exchanges and any other statutory authorities from time to time.

Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mr. Sumit Maheshwari, Chairman	5	5
Mr. C. VR. Rajendran	5	5
Mr. Madhavan Menon	5	5
Mr. Madhavan Aravamuthan	5	5
Mrs. Bhama Krishnamurthy	5	5

The Committee met 5 times during the financial year 2020–21 and the dates of the meetings are as under:

29.06.2020	17.07.2020	21.09.2020	30.11.2020	26.02.2021
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NPA Management Committee

Terms of reference

To lay added trust on NPA recovery, a separate Committee of the Board named 'NPA Management Committee' has been formed exclusively for considering and sanctioning compromise settlement proposals of NPA accounts, for a speedy consideration and quick disposal of such proposals. The Committee shall be vested with discretion to consider and sanction all compromise settlement proposals of NPA accounts falling under the discretionary powers of the erstwhile Credit Committee and the Board of Directors.

The Committee also reviews the periodical Reviews/Returns/Statements placed before it as per the approved calendar of items.

Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mr. Madhavan Aravamuthan, Chairman	8	8
Mr. Madhavan Menon	8	7
Mrs. Sharmila Abhay Karve*	6	6
Mr. Thomas Mathew ^	3	3

* appointed as a member of the Committee w.e.f August 20, 2020

^ ceased to be a member of the Committee w.e.f September 25, 2020, upon completion of his term of appointment.

The Committee met 8 times during the financial year 2020–21 and the dates of the meetings are as under:

13.05.2020	18.08.2020	21.09.2020	30.10.2020
15.12.2020	18.01.2021	26.02.2021	15.03.2021

Stakeholders Relationship Committee

Terms of reference

- a) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
- b) Review of measures taken for effective exercise of voting rights by shareholders;
- c) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent;
- d) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Bank;
- e) Issue and allotment shares subject to the provisions of the Section 39 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Section 46 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014 and subject to the Memorandum and Articles of Association of the Bank;
- f) To transfer, transposition and transmission of securities;
- g) To consider and approve, split, consolidation and duplication of shares or other securities;
- h) To approve dematerialization and re-materialization of shares;
- i) To seek any information it requires from the employees, directors of the Bank in order to perform its functions;

- j) To do all such other things as are necessary thereto pursuant to and in accordance with the employee stock option schemes and the decision of the Board in connection with allotment of shares under the schemes;
- k) Investor relations and redressal of shareholders' grievances in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet etc.; and
- l) Such other matters as may be, from time to time, required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mr. Syed Nagoor Ali Jinnah, Chairman *	4	4
Mr. C. VR. Rajendran	6	6
Mrs. Bhama Krishnamurthy	6	6
Mr. Madhavan Menon	6	5
Mr. Thomas Mathew [#]	2	2
Mr. Sumit Maheshwari [^]	2	1

* appointed as a member and Chairman of the Committee w.e.f August 20, 2020 and ceased to be a Director of the Bank/ Member and Chairman of the Committee w.e.f. April 19, 2021.

[#] ceased to be the Chairman of the Committee w.e.f August 20, 2020 and ceased to be a member of the Committee w.e.f September 25, 2020, upon completion of his term of appointment.

[^] ceased to be a member of the Committee w.e.f August 20, 2020.

Mr. Sijo Varghese, Company Secretary is designated as the Compliance Officer.

The Committee met 6 times during the financial year 2020–21 and the dates of the meetings are as under:

09.06.2020	19.08.2020	28.09.2020	30.10.2020	15.12.2020	10.02.2021
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Status of the investor complaints

Status of the Investor complaints received during the period April 1, 2020 and up to March 31, 2021 are given under:

Investor Complaints

Number of Investor Complaints including through SEBI SCORES platform received during the period 01.04.2020 to 31.03.2021*	No. of Complaints
a) Investor complaints pending as on 01.04.2020	Nil
b) Investor complaints received during the period	
1. Investor complaints pertaining to Initial Public Offering of the shares of the Bank	01
2. Investor complaints received through SEBI SCORES Platform	01
3. Other Investor complaints received	01
c) Total number of complaints disposed off	03
d) Complaints pending as on 31.03.2021	Nil

Committee for Monitoring Large Value Frauds

Terms of reference

Pursuant to the directives of the RBI, the Bank has constituted a Committee for Monitoring Large Value Frauds (CMF) for monitoring the cases of fraud involving amounts of ₹ 1 Crore and more. The Committee is also entrusted with the duty of monitoring and follow up of Red Flagged Accounts and Fraud Accounts (Accounts beyond the threshold limit of ₹ 50 crore and above).

The other major functions of the Special Committee are to;

- a) Identify the systemic lacunae, if any that facilitated perpetration of the fraud and put in place measures to plug the same.
- b) Identify the reasons for delay, if any, in detection and reporting to top management of the Bank and RBI.
- c) Monitor progress of CBI/Police Investigation and recovery position.
- d) Ensure that staff accountability is examined at all levels in all the cases of frauds and staff side action, if required, is completed quickly without loss of time.
- e) Review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls.
- f) Put in place other measures as may be considered relevant to strengthen preventive measures against frauds.
- g) To monitor and follow up Red Flagged Accounts and FraudAccounts(Accountsbeyondthethresholdlimitof ₹ 50 crores and above).
- h) Such other functions as may be decided/delegated by the Board of Directors/advised by the Reserve Bank of India, from time to time.

The meeting of the Committee has to schedule once in a quarter, and as and when a fraud involving an amount of ₹ 100 lakh and above comes to light.

Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mr. Syed Nagoor Ali Jinnah, Chairman *	4	4
Mr. C. VR. Rajendran	4	4
Mr. Sumit Maheshwari	4	4
Mr. Madhavan Menon	4	3
Mrs. Sharmila Abhay Karve [#]	1	1
Mr. Madhavan Aravamuthan [^]	1	1

* appointed as the Chairman of the Committee w.e.f August 20, 2020 and ceased to be a Director of the Bank/Chairman of the Committee w.e.f. April 19, 2021.

[#] appointed as a member of the Committee w.e.f January 20, 2021.

[^] ceased to be the Chairman and member of the Committee w.e.f. August 20, 2020.

The Committee met 4 times during the financial year 2020–21 and the dates of the meetings are as under:

09.06.2020	21.09.2020	30.11.2020	10.02.2021
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Customer Service Committee

Terms of reference

The Committee strives to bring about ongoing improvements in the quality of Customer Service provided by the Bank. The Committee shall, inter alia, not only oversee the functioning of the Standing Committee on Customer Services, including compliance with recommendations of the CPPAPS (Committee on Procedures and Performance Audit on Public Services constituted by the RBI), but shall also mount innovative measures for enhancing the quality of Customer Service and improving the level of customer satisfaction for all categories of clientele. The functioning of the Committee shall be reviewed on a half yearly basis (September/March) and the review shall be put up to the Board of Directors within one month from the end of the relevant half-year.

The meeting of the Committee has to be scheduled once in a quarter.

Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mrs. Sharmila Abhay Karve, Chairperson*	3	3
Mr. C. VR. Rajendran	4	4
Mr. Madhavan Menon	4	3
Mr. Sumit Maheshwari	4	4
Mr. Thomas Mathew [#]	1	1
Mr. Syed Nagoor Ali Jinnah [^]	1	1

* appointed as the Chairperson of the Committee w.e.f August 20, 2020.

[#] ceased to be a member of the Committee w.e.f September 25, 2020, upon completion of his term of appointment.

[^] ceased to be the Chairman and member of the Committee w.e.f August 20, 2020.

The Committee met 4 times during the financial year 2020–21 and the dates of the meetings are as under:

09.06.2020	28.09.2020	30.11.2020	10.02.2021
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Corporate Social Responsibility Committee

In terms of Section 135 of the Companies Act, 2013, Bank constituted the Corporate Social Responsibility Committee of the Board.

Terms of reference

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy as per Schedule VII of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause.
- c) Monitor the corporate social responsibility policy of the company from time to time.
- d) Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:-
 - i. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - ii. the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
 - iii. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - iv. monitoring and reporting mechanism for the projects or programmes; and
 - v. details of need and impact assessment, if any, for the projects undertaken by the company and;
 - vi. Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mr. Syed Nagoor Ali Jinnah, Chairman [^]	1	1
Mr. C. VR. Rajendran	1	1
Mr. Sumit Maheshwari	1	1
Mr. Madhavan Menon	1	1
Mrs. Bhama Krishnamurthy*	N.A	N.A

[^] ceased to be a Director of the Bank/Chairman of the Committee w.e.f. April 19, 2021.

* ceased to be a member of the Committee w.e.f August 20, 2020.

The Committee met once during the financial year 2020–21 and the date of the meeting is February 10, 2021.

Nomination & Remuneration Committee

Nomination & Remuneration Committee, inter-alia, looks after the due diligence and recommendation process for appointment/re-appointment of Directors and their remuneration, remuneration perquisites, ESOPs, etc., to MD & CEO and other key managerial and senior management personnel of the Bank, monitoring of the compensation policy of the Bank, etc. The Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual directors.

Terms of reference

- a) Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
- b) Undertake the due diligence of candidates before their appointment/re-appointment as directors;
- c) Recommend to the Board appointment of directors senior management personnel and their removal;
- d) Devising a policy on diversity of board of directors;
- e) Formulate the criteria for determining qualification, positive attributes and independence of a director, key managerial personnel and other employees;
- f) Recommend to the Board the policy for evaluation of performance of board, its committees and individual directors;
- g) To oversee the framing, review and implementation of the Bank's overall compensation structure and related policies on remuneration packages payable to whole time directors, the Managing Director and Chief Executive Officer and other staff as may be prescribed from time to time including performance linked incentives, perquisites, stock option scheme, etc., with a view to attract, motivate and retain employees and review compensation levels;
- h) To implement and administer the CSB Employee Stock Option Schemes;
- i) To formulate detailed terms and conditions of the scheme, administer and supervise the same and to allot shares in compliance with the scheme, guidelines and other applicable laws;
- j) To obtain necessary clearances and approvals from regulatory authorities and do such other things as may be necessary in respect of the Schemes;
- k) To make suggestions to amend any stock option plans or incentive plans, provided that all amendments to such plans shall be subject to consideration and approval of the Board;

- | | |
|--|---|
| <p>l) To review the compensation structure/policy on a periodical basis;</p> <p>i. To approve the overall compensation structure of the new recruitment of the executives at top level management including performance linked incentives, perquisites, stock option scheme, etc.; and</p> <p>ii. To conduct annual review of their performance and to revise their compensation structure in tandem with their performance/target achieved.</p> <p>m) Any other matters regarding remuneration of whole time directors, the Managing Director and Chief Executive Officer and other staff of the Bank as may be prescribed as and when permitted by the Board;</p> <p>n) Any other matters regarding compensation structure as and when permitted by the Board;</p> | <p>o) To fulfil such other powers and duties as may be delegated to it by the Board;</p> <p>p) Specify the manner for effective evaluation of performance of Board, its committees and individual directors;</p> <p>q) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;</p> <p>r) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and</p> <p>s) To allot shares pursuant to the options granted to the eligible employees/officers under the ESOP scheme which is existing and to be framed in future.</p> |
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Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mrs. Bhama Krishnamurthy, Chairperson	14	14
Mr. Madhavan Menon	14	14
Mr. Sumit Maheshwari	14	14
Mr. Madhavan Aravamuthan	14	14
Mrs. Sharmila Abhay Karve*	5	5
Mr. Thomas Mathew #	8	8

* Appointed as a member of the Committee w.e.f. August 20, 2020 and ceased to be a member w.e.f. January 20, 2021.

ceased to be a member of the Committee w.e.f. September 25, 2020, upon completion of his term of appointment.

The Committee met 14 times during the financial year 2020–21 and the dates of the meetings are as under:

13.05.2020	02.06.2020	09.06.2020	19.06.2020	22.06.2020	20.07.2020	19.08.2020
27.08.2020	28.09.2020	30.10.2020	15.12.2020	18.01.2021	15.03.2021	30.03.2021

IT Strategy Committee (ITSC)

As per the RBI guidelines on Information Technology, all banks are advised to form an independent IT Committee of the Board. The Bank formed the Committee on 14th November, 2013. IT Strategy Committee, inter alia, approves IT strategy and policy documents, etc.

Terms of reference

The powers, roles and responsibilities of the Committee:

- | | |
|--|---|
| <p>a) Perform oversight functions over the IT Steering Committee (at a senior management level).</p> | <p>b) Investigate activities within this scope.</p> <p>c) Seek Information from any employee.</p> <p>d) Obtain outside legal or professional advice.</p> <p>e) Secure attendance of outsiders with relevant expertise, if it considers necessary.</p> <p>f) Work in partnership with other Board Committees and Senior Management to provide input, review and amend the aligned corporate and IT strategies.</p> <p>g) Approving IT strategy and policy documents.</p> |
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- h) Ensuring that the management has put an effective strategic planning process in place.
- i) Ratify that the business strategy is indeed aligned with IT strategy.
- j) Ensuring that the IT organizational structure complements the business model and its direction.
- k) Ascertaining that management has implemented process and practices that ensure that the IT delivers value to the business.
- l) Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.
- m) Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources.
- n) Ensuring proper balance of IT investments for sustaining Bank's growth.
- o) Becoming aware about exposure towards IT risks and controls. And evaluating effectiveness of management's monitoring of IT risks.
- p) Assessing Senior Management's performance in implementing IT strategies.
- q) Issuing high-level policy guidance (e.g. related to risk, funding, or sourcing tasks).
- r) Confirming whether IT or business architecture is to be designed, so as to derive the maximum business value from IT.
- s) The authority to sanction all expenses in respect of the IT and IT related matters.

Composition:

Name of the Director	No. of meetings held during the tenure	Meetings attended
Mr. Madhavan Aravamuthan, Chairman	5	5
Mr. C. VR. Rajendran	5	5
Mr. Madhavan Menon	5	5
Mr. Sumit Maheshwari	5	5
Mr. Thomas Mathew*	2	2

* ceased to be a member of the Committee w.e.f August 20, 2020.

The Committee met 5 times during the financial year 2020-21 and the dates of the meetings are as under:

13.05.2020	18.08.2020	30.11.2020	10.02.2021	25.03.2021
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MEETING OF THE INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013, the performance of Non-Independent Directors and the

Board as a whole is to be evaluated by the Independent Directors.

Terms of Reference

- a) Review the performance of Non-Independent Directors and the Board as a whole;
- b) Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- c) Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

A Meeting of the Independent Directors of the year was held on March 15, 2020 for the period under review and all the Independent Directors attended the meeting.

BOARD LEVEL PERFORMANCE EVALUATION

In accordance with the relevant provisions of the Companies Act, 2013, Listing Regulations and as per the Guidance Note on Board Evaluation issued by SEBI, Nomination and Remuneration Committee of the Board formulated the methodology and criteria/policy for evaluation of the Individual Directors including Independent Directors and Non-Independent Directors, Chairperson, Managing Director & CEO, Committees of the Board and the Board as a whole.

The process for performance evaluation is as under:

- a) Independent Directors evaluate the performance of Non-Independent Directors including Chairman of the Bank and the Board as a whole.
- b) The Board evaluates the performance of the Independent Directors, excluding the Director being evaluated. On the basis of the report of the performance evaluation, it would be determined whether to extend or continue the term of appointment of Independent Directors.
- c) The Board evaluates the performance of Board level Committees.
- d) The Nomination and Remuneration Committee shall specify the manner for effective evaluation of performance of Board, its committees and individual directors.

The criteria for performance evaluation are as under:

Performance Evaluation of Chairman

Attendance at the meetings; Participation and contribution; Responsibility towards stakeholders; Contribution in Strategic Planning; Compliance and Governance; Updation of Knowledge; Performance of the Bank; Recognition and Awards to the Bank; Managing Relationships and Communications; Resources; Conduct of Meetings, effective leadership, open-mindedness, decisiveness, courteousness,

display of professionalism, impartiality in conducting discussions, seeking of views and dealing with dissent.

Performance Evaluation of Managing Director & CEO

Knowledge, Experience & Competency, Qualification, Fulfilment of functions, Leadership qualities, Strategy formulation and execution, Financial planning, monitoring and evaluation of performance, Relationships with the Board, External Relations, Human Resources Management/Relations, Succession planning, Product/Service Knowledge, actively and timely taking of initiatives with respect to various areas, Availability and Attendance, Contribution to conduct of Board and Committee meetings, Prepares adequately for the meetings, Integrity, Personal Qualities & Behaviour and seeking opportunities for self-Development.

Performance Evaluation of Independent Directors

Attendance at meetings of the Board and Committees, knowledge & ethics, understanding of the roles, responsibilities and duties as Director/Chairman of the Committees; contributions at Board / Committee meetings including on strategy and risk management, professional conduct, adherence to standards, fulfilment of responsibilities and independence from the management as laid down in the code for Independent Directors as per Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Performance Evaluation of Non-Executive Directors

Attendance at the meetings; Participation and contribution; Responsibility towards stakeholders; Contribution in Strategic Planning; Compliance and Governance; Updation of Knowledge; Performance of the Bank; Recognition and Awards to the Bank; Leadership; Relationships and Communications; Resources; Conduct of Meetings.

Performance Evaluation of Board

Composition and Diversity; Committees of the Board; Board & Committee meetings; Understanding of the business of the Bank and Regulatory environment; Contribution to effective corporate governance and transparency in the Company's operations; Deliberations/decisions on the Company's strategies, policies, plans and guidance to the Executive Management; Monitoring the implementation of the strategies and the executive management's performance and Quality of Decision making and Board's Communication with all stakeholders.

Performance Evaluation of the Board Level Committees

The performance and effectiveness of the Committee; Frequency and duration; Spread of talent and diversity in the Committee; Understanding of regulatory environment and developments; Interaction with the board.

The flow of information to the Board and its Committees is generally good.

NOMINATION POLICY – POLICY FOR APPOINTMENT OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHERS

On the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Bank has adopted 'Nomination Policy' for appointment of Part-time Chairman, Managing Director & CEO, Directors, Key Managerial Personnel and Senior Management team in the Bank. As per the Policy, the Nomination & Remuneration Committee decides/recommends on the Directors' / KMPs' appointment, remuneration including criteria for appointment/re-appointment. The appointment of Directors is subject to due diligence process in compliance with the Banking Regulation Act, 1949, Reserve Bank of India directives on Fit & Proper Criteria, all other applicable provisions of the Companies Act, 2013 including any amendments from time to time, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Bank and Nomination Policy of the Bank. Nomination and Remuneration Committee formulated the criteria for determining qualifications, positive attributes and independence of a Director to adhere the various provisions and guidelines.

The disclosures as per Section 178(3) and (4) of the Companies Act, 2013 are as given below:

a) Appointment Criteria and Qualifications

- a. Subject to the extent of RBI Guidelines as applicable, all other applicable provision of the Companies Act, 2013 including any amendments from time to time, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Articles of Association of the Bank, the Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c. Special knowledge or practical experience in Banking, accountancy, agriculture and rural economy, co-operation, economics, finance, Information Technology, law, small-scale industry or any other field useful to the

Banking Company in the opinion of Reserve Bank of India.

- d. The Bank shall not appoint or continue the employment of any person as Whole-time Director, Managing Director or Manager who has attained the age of seventy years.
- e. The Bank shall not appoint or re-appoint any person as Director if he/she has attained the age of seventy years.
- f. The Bank shall appoint or re-appoint any person as its Part-time Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- g. Any other factors as the Committee may deem fit and in the best interests of the Bank and its stakeholders.

b) Criteria for determining Independence of a Director

The Criteria of Independence of a director is determined based on conditions as laid down in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Independent Director shall at the first meeting of the Board in which he/she participates as a director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his/her status as an independent director, give a declaration that he/she meets the criteria of independence.

Further pursuant to Rule 6(3) of The Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, independent director shall submit a declaration of compliance of sub-rule (1) and sub-rule (2) to the Board, each time he submits the declaration required under sub-section (7) of section 149 of the Act. The terms and conditions of appointment of Independent Directors is disclosed on the website of the Bank and a web link there to, is: https://www.csb.co.in/pdf/Independent-Directors_Terms_and_Conditions.pdf

c) Disqualification/Conflicts of interest

- a. The Bank's Directors shall be subject to the disqualifications/prohibitions contained in the Companies Act, 2013 and the Banking Regulation Act, 1949 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with respect to directorship of companies in general or banking companies in particular.
- b. Director shall not be a director of any other company, or partner or proprietor of a firm,

where such directorship, partnership, or proprietorship involves or is likely to involve actual or potential conflicts of interest as a Director of the Bank.

- c. A Director shall promptly inform the Board/Committee of any actual or potential conflicts of interest with respect to any matter that may come up for the consideration of the Board or of any committee of which he is a member, and shall refrain from participating in a discussion on the matter.

COMPENSATION/REMUNERATION POLICY

The Bank has an approved Compensation Policy which deals with the compensation and benefits of the employees, Material Risk Takers (MRTs), Whole-time Directors including Managing Director & CEO, Part-time Chairman, Executive and Non-Executive Directors of the Bank. This Policy is in tune with the guidelines issued by the Reserve Bank of India, provisions of Companies Act, 2013, and the Listing Regulations, amended from time to time. The Policy is also in tune with Reserve Bank of India circular/guideline dated November 4, 2019 bearing number DOR.Appt.BC.No.23/29.67.001/2019-20 on "Guidelines on Compensation of Whole Time Directors/Chief Executive Officers/Other Risk Takers and Control Function Staff, etc."

The objectives of the remuneration policy are four fold:

- To align compensation with prudent risk taken.
- To ensure effective governance of the compensation in the organization.
- To ensure effective supervisory oversight and stakeholder engagement in compensation.
- To attract and retain talent.

The policy covers all aspects of the compensation structure such as fixed pay, perquisites, variable pay in form of cash or non-cash instrument, (share-linked instruments e.g. Employee Stock Option Plan), pension plan, gratuity, guaranteed bonus etc.

While formulating the Policy, the Committee has strived to ensure that –

- the cost/income ratio of the bank supports the remuneration package consistent with maintenance of sound capital adequacy ratio;
- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the bank successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- remuneration to directors, Material Risk Takers (MRTs), key managerial personnel and senior management involves a balance between fixed and variable pay (as applicable) reflecting short and long-term performance objectives appropriate to the working of the Bank and its goals.

Remuneration of Part-time Chairman

The Nomination & Remuneration Committee recommends the remuneration of the Part-time Chairman to the Board which is considered and approved by the Board in the same manner subject to Shareholders' and regulatory approvals.

The remuneration payable to the Part-time Chairman is subject to prior approval of the Reserve Bank of India (RBI). Therefore, payment of remuneration or any revision in remuneration of the Part-time Chairman requires approval from RBI. The remuneration payable to the Part-time Chairman is also subject to approval of the shareholders as per Section 196 of the Companies Act, 2013, and as per the Articles of Association of the Bank.

The Non-Executive Chairman of the Bank shall not be entitled to any profit linked commission and Stock Options.

Remuneration of Managing Director & CEO/Whole Time- Executive Directors/Material Risk Takers (MRTs)

- The fixed compensation is determined based on the industry standards, the exposure, skill sets, talent and qualification attained by the official over his/her career span subject to adherence with statutory requirements. All the fixed items of compensation, including the perquisites, will be treated as part of fixed pay. All perquisites that are reimbursable should also be included in the fixed pay so long as there are monetary ceilings on these reimbursements. Contributions towards superannuation/retiral benefits will be treated as part of fixed pay.
- The variable compensation is fixed based on performance and responsibility in the Bank. The grant of total variable pay shall be based on individual performance, unit-level performance as well as the organizational performance. Individual performance is assessed based on quantitative and qualitative measures as defined in the balanced scorecard in the Performance Management system of the Bank. The Bank's performance is based on the various financial indicators like revenue earned, cost deployed, profit earned, assets quality, owners' wealth creation, compliance, governance and misconduct risk, divergence in bank's provisioning for Non-Performing Assets and other intangible factors like leadership and employee development. Variable pay is paid purely based on performance.
- The variable pay can be in the form of share-linked instruments, or a mix of cash and share-linked

instruments in the manner as per the compensation policy. There should be proper balance between the cash and share linked components in the variable pay. Only in cases where the compensation by way of share-linked instruments is not permitted by law/regulations, the entire variable pay can be in cash subject to limits. Cash-linked Stock Appreciation Rights (CSARs) are also to be treated as share-linked instruments.

- Approval from Reserve Bank of India is to be obtained to decide compensation for MD & CEO/ whole time directors. The payment of compensation also requires approval of the shareholders of the Bank in the General Meeting pursuant to the Bank's Articles of Association read with the Section 196 of the Companies Act, 2013.
- Grant of share-linked instruments is also subject to approval of the respective scheme by the shareholders of the Bank.

The Bank does not pay any commission/share of profits to the Managing Director & CEO.

Remuneration of Non-Executive Directors / Independent Directors

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors or any committee thereof as approved by the Board, within the permissible limit prescribed under the Companies Act, 2013, and other regulatory guidelines, as amended from time to time. Any change in sitting fees within the permissible limit shall be approved by the Board of Directors of the Bank.

The Non-Executive Directors are entitled to reimbursement of expenses for participation in the meeting of the Board and Committee thereof.

The Bank does not pay any commission on profit to the Non-Executive Directors. The Bank also does not grant any Stock Options to any Non-Executive Directors.

Remuneration of Key Managerial Personnel and Executives (IBA and Non IBA Package) and other officers and staff (IBA Package) of the Bank

The remuneration of all Key Management Personnel (KMPs), Executives, and other officers and staff of the Bank either on CTC or IBA pattern is governed by the compensation policy of the Bank.

(a) Key Managerial Personnel

The KMP's recruited under CTC are paid salary and benefits as agreed upon by the Bank and the employee while making the offer for appointment and those recruited under IBA pattern being paid as per IBA pattern within the compensation policy of the Bank.

(b) Risk control and compliance staff

Members of staff engaged in financial and risk control, including internal audit should be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the Bank.

The grant of total variable pay shall be based on individual performance as well as the organizational performance. Individual performance is assessed based on financial and non-financial measures as defined in the balanced scorecard in the Performance Management System of the Bank.

The requirement of minimum 50% of total compensation to be paid in the form of variable pay will not be applicable for this category of staff. However, a reasonable proportion of compensation has to be in the form of variable pay, so that exercising the options of malus and/or clawback, when warranted, is not rendered infructuous. Total Variable Pay can be paid in the form of both cash and/or non-cash (ESOPs) instruments as per eligibility and Bank's policy. Non-cash portion of the variable pay (ESOPs) shall be granted to eligible employees and shall be governed as defined in the Bank's ESOP policy.

(c) Senior executives/Other Officers (Non IBA Scheme)

The compensation structure for officers other than on IBA Scheme shall be on a cost to company basis and for employees recruited laterally, as freshers/ at entry level, the same will be fixed in line with the Lateral Recruitment Policy of the Bank. In line with Bank's compensation philosophy, the CTC shall be determined considering the role, market competitiveness, internal pay parity, qualification, level of experience and seniority, skills and capabilities they bring and their last drawn fixed pay.

The grant of total variable pay shall be based on individual performance as well as the organizational performance. Individual performance is assessed based on financial and non-financial measures as defined in the balanced scorecard in the Performance Management System of the Bank.

Total Variable Pay can be paid in the form of both cash and/or non-cash (ESOPs) instruments as per eligibility and Bank's policy. The proportion of non-cash variable pay may be higher for the Senior Management staff of the Bank. Non-cash portion of the variable pay (ESOPs) shall be granted to eligible employees and shall be governed as defined in the Bank's ESOP policy.

(d) Compensation paid to Other Officers and staff members on IBA Scheme

The compensation paid to other officials that include Award staff and Officers coming under Scale I to III and Senior executives coming under Scale IV to VII is fixed based on 10th bipartite settlement / 7th Joint Note. However, it is the discretion of the bank either to continue with the existing compensation structure prevailing under IBA scheme or modify the structure partially or fully on need basis or discontinue the existing structure in toto and switch over to different structure which is prevailing in banking industry by keeping in view, various parameters like industry level, peer group status, burden on the bank, etc.

It is prerogative of the Bank either to utilize the service of IBA in matter of structuring compensation or device the compensation structure on its own based on the prevailing practice in the banking industry.

Performance Linked Variable Pay (PLVP) may be adopted for select categories of the staff on IBA terms who are not otherwise covered under the Annual Performance based Variable Pay. The Performance Linked Variable Pay may be based on Employee performance (Balanced Scorecard) defined from time to time.

The ESOP scheme may be extended to select categories of employees at the discretion of the Board / Nomination Remuneration Committee and form part of the overall performance management program at the discretion of the Board. However, the grant of stock option is as per CSB Employees Stock Option Scheme.

Details of Remuneration paid to the Directors and Key Managerial Personnel during the year ended 31.03.2021 are given in the Annexure - VII.

POLICY ON BOARD DIVERSITY

Policy on Board Diversity of the Bank mainly depends on the qualifications for appointment of Directors of the Bank as contained in the Banking Regulation Act, 1949 and satisfying the Fit and Proper Criteria for directors as per the regulatory requirement of RBI, the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Bank continuously seeks to enhance the effectiveness of its Board and to maintain the highest standards of corporate governance and recognizes and embraces the benefits of diversity in the boardroom. Diversity is ensured through consideration of a number of factors,

including but not limited to skills, regional and industry experience, background and other qualities. In informing its perspective on diversity, the Bank also takes into account, factors based on its own business model and specific needs from time to time.

The Nomination & Remuneration Committee has responsibilities for leading the process for Board appointments and for identifying and nominating, for approval by the Board, candidates for appointment to the Board. The benefits of diversity continue to influence

succession planning and continue to be the key criteria for the search and nomination of directors to the Board.

Board appointments are based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board, including gender. While making Board appointments, the requirement as per the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment of at least one woman director on the Board of the Bank is also considered.

GENERAL BODY MEETINGS HELD DURING THE LAST THREE YEARS

(a) Location, time and where the General Body Meetings were held during the last three years:

No. of Meetings	Day, Date and Time	Venue of the Meeting	Special Resolution passed
97 th AGM	Saturday, 29 th September 2018 at 10.00 AM	Kousthubham Auditorium, Shoranur Road, Thrissur – 680 001	Modifications in the terms of grant of stock options to Mr. C. VR. Rajendran, Managing Director and CEO (DIN: 00460061) of the Bank.
98 th AGM	Saturday, 29 th June 2019 at 10.00 AM	Kousthubham Auditorium, Shoranur Road, Thrissur – 680 001	Nil
99 th AGM	Monday, July 20, 2020 at 11:00 a.m.	Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) mode	<ul style="list-style-type: none"> • To increase the limit of borrowing powers of the Board to ₹ 5,000 crores from the existing limit of ₹ 1,000 crores. • Alteration of Articles of Association of the Bank. • Ratification of ‘CSB Employee Stock Option Scheme 2019’. • Approval for increasing total number of employee stock options reserved under ‘CSB Employee Stock Option Scheme 2019’ from 50,00,000 Options to 1,66,72,791 Options by creating additional 1,16,72,791 Options in the form of (i) fresh issue of shares up to 30,00,000 shares and (ii) secondary acquisition by the Trust up to 86,72,791 shares. • Approval for secondary acquisition of 86,72,791 shares through Trust route for the implementation of CSB Employee Stock Option Scheme 2019 as amended. • Grant of 34,70,000 stock options to Mr. C. VR. Rajendran, Managing Director and CEO of the Bank.
(b)	Whether any special resolution passed last year through postal ballot Details of voting pattern.		No resolutions were transacted through postal ballot Not applicable
(c)	Person who conducted the postal ballot exercise.		Not applicable
(d)	Whether any special resolution is proposed to be conducted through postal ballot?		No Special Resolution requiring Postal Ballot is being proposed on or before the ensuing Annual General Meeting of the Bank.
(e)	Procedure for the postal ballot.		Not applicable

SHAREHOLDING PATTERN AS ON MARCH 31, 2021

Shareholding pattern of the Bank as on March 31, 2021 is given below

Sr. No	Particulars	No. of Shareholders	No. of Shares	% of Shares
A.	Promoters			
1	Promoters & Promoters Group	1	8,62,62,976	49.72
B.	Institutions-Public Shareholding			
2	Financial Institutions & Banks	1	2,463	0.00
3	Mutual Funds	9	1,33,55,264	7.70
4	Insurance Companies	1	8,41,206	0.48
5	Foreign Financial Institutions/Banks	0	0	0
6	Foreign Portfolio Investors	9	92,03,106	5.30
7	Alternate Investment Funds	2	18,92,198	1.09
C.	Other Non-Institutions/Individuals/Others- Public Shareholding			
8	Bodies Corporate	252	95,76,795	5.52
9	Foreign Corporate Bodies	4	30,06,390	1.73
10	Non-Resident Indians	495	1,26,38,989	7.29
11	Clearing Members	80	2,94,208	0.17
12	Hindu Undivided Families	624	7,33,891	0.42
13	Trusts	2	15,489	0.01
14	Directors & Relatives	1	9,897	0.01
15	Resident Individuals	46,027	3,00,39,209	17.32
16	NBFC's registered with RBI	1	1,00,000	0.06
17	Foreign Portfolio Investor (Category - III)	1	3,497	0.00
18	Unclaimed Suspense Account	1	9,866	0.01
19	IEPF Authority	1	5,00,383	0.29
D.	Non-Promoter - Non Public Shareholding			
20	CSB ESOS Trust	1	50,00,000	2.88
Total		47513	17,34,85,827	100

DETAILS OF SHAREHOLDERS HOLDING SHARES 1% AND ABOVE AS ON MARCH 31, 2021

Sl. No	Name of the Shareholder	No. of Shares	% of holding
1	FIH Mauritius Investments Ltd	8,62,62,976	49.72
2	SBI Mutual Fund through its various schemes	87,41,998	5.04
3	CSB ESOS Trust	50,00,000	2.88
4	Mr. Yusuffali Musaliam Veettil Abdul Kader	37,56,427	2.17
5	Omers Administration Corporation - OAC Custody Account (SCV6)	35,89,800	2.07
6	Sundaram Mutual Fund through its various schemes	34,65,209	2.00
7	Nomura Singapore Limited ODI	31,94,724	1.84
8	Plutus Wealth Management LLP	31,75,000	1.83

Sl. No	Name of the Shareholder	No. of Shares	% of holding
9	Mr. Vallabh Bhanshali	21,85,392	1.26
10	Infinity Holdings	19,74,048	1.14
11	Mr. Zafar Ahmadullah	18,50,100	1.07
12	Volrado Venture Partners Fund II	17,92,198	1.03
13	Mr. Satpal Khattar	17,73,906	1.02
14	Mr. Lal Arakulath Sankappa	17,56,908	1.01
TOTAL		12,85,18,686	74.08

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

Category	No. of Shareholders				No. of Shares			
	Physical	Demat	Total	%	Physical	Demat	Total	%
Up to 5,000	49,12,949	89,98,012	1,39,10,961	8.02	17155	30885	48040	98.12
5,001 to 10,000	4,47,930	26,16,940	30,64,870	1.77	67	341	408	0.83
10,001 to 20,000	4,22,863	31,36,126	35,58,989	2.05	30	210	240	0.49
20,001 to 30,000	1,98,810	19,06,954*	21,05,764	1.21	8	74	82	0.17
30,001 to 40,000	1,02,220	9,14,916	10,17,136	0.59	3	26	29	0.06
40,001 to 50,000	48,332	11,80,459	12,28,791	0.71	1	26	27	0.06
50,001 to 1,00,000	-	42,14,991	42,14,991	2.43	-	58	58	0.12
1,00,001 & Above	10,00,000	14,33,84,325	14,43,84,325	83.22	1	75	76	0.15
Total	71,33,104	16,63,52,723	17,34,85,827	100	17265	31695	48960	100

* Includes 30,000 shares that were allotted under CSB ESOS 2013 in demat form and included in NSDL, but demat credit and trading approval have not been completed/obtained as on 31.03.2021.

DEMATERIALIZATION OF SHARES

As on 31st March, 2021, 95.89% of Bank's shares were in demat mode as per the statement given below:

Category	No. of Shares	% of holding
Physical Mode	71,33,104	4.11
Demat Mode		
NSDL *	14,39,47,464	82.97
CDSL	2,24,05,259	12.92
Total	17,34,85,827	100

* Includes 30,000 shares that were allotted under CSB ESOS 2013 in demat form and included in NSDL, but demat credit and trading approval have not been completed/obtained as on 31.03.2021.

As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in

dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In this regard, shareholders holding shares in physical form are requested to dematerialize their shares in order to avail the benefit of free transferability as any request for transfer of shares will not be permitted if the shares are held in physical mode.

Physical shareholders are requested to contact the Registered & Head Office of the Bank or Registrar & Share Transfer Agent of the Bank: M/s. Link Intime India Pvt Ltd., Coimbatore, for further information in this regard. The Shareholders of the Bank who have not dematerialized their share so far may approach any of the Depository Participants of National Securities Depository Ltd. (NSDL) or Central Depository Services (India) Ltd. (CDSL) through depository participants for dematerializing their shareholding.

RECONCILIATION OF SHARE CAPITAL AUDIT

The Bank has complied with SEBI requirements with regard to reconciliation of share capital audit for the purpose of reconciliation of the total admitted capital in physical mode as also with both the Depositories NSDL & CDSL. The total issued and listed capital of the Bank and in respect of other matters covered under the directions of SEBI by the statutory/Secretarial auditors of the Bank. Quarterly compliance reports have been submitted to the exchanges in this regard.

REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd., Surya 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028 was appointed as the new Registrar & Share Transfer Agent (RTA) of the Bank, with effect from December 01, 2020, in place of S.K.D.C Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore - 641 006. The shareholders may lodge their requests/ complaints either with the Registrar & Share Transfer Agents or with the Bank in the following address:

Link Intime India Pvt. Ltd, Surya 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028, Tel : 0422 - 2314 792, 2315 792 Fax: 022-49186060 Email : coimbatore@linkintime.co.in	The Company Secretary, CSB Bank Limited, "CSB Bhavan", P. B. No. 502, St. Mary's College Road, Thrissur - 680 020. Ph: 0487 - 2333020 Fax: 0487 2338764 E-mail: investors@csb.co.in
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SHARE TRANSFER SYSTEM:

M/s. Link Intime India Pvt. Ltd., the Registrar & Share Transfer Agents looks after the share transfer system in the Bank. Further, the Board delegated the authority for approving transfer, transmission, etc. of the Bank's securities to the Stakeholders' Relationship Committee of the Board.

Pursuant to the Ministry of Corporate Affairs (MCA) Notification regarding Companies (Prospectus and allotment of securities) 3rd Amendment Rules, 2018 dated 10th September, 2018, the Bank will not permit transfer of shares in physical form with effect from October 2, 2018. Further, Securities and Exchange Board of India has barred physical transfer of shares of listed companies effective from April 01, 2019 and mandated the share transfer only through Electronic Mode. Subsequently, Securities and Exchange Board of India, vide circular dated September 7, 2020, permits re-lodgment of transfer deeds with a cut-off date of March 31, 2021 for those shareholders whose transfer deeds were lodged prior to deadline of April 01, 2019 and rejected / returned due to deficiency in the documents. The shares that are re-lodged for transfer (including those request that are pending with the listed company / RTA, as on date) shall be issued only in demat mode. However the above decision does not prohibit the investor from holding the shares in physical form; investor has the option of holding shares in physical form even after October 2, 2018/ April 01, 2019 as the case may be. Also the Board decision is not applicable for transmission (i.e. transfer of title of shares by way of inheritance / succession) and transposition (i.e. re-arrangement/interchanging of the order of name of

shareholders) cases. Subject to the above, the request for transfer /transmission/ transposition, etc., as and when received, are duly processed and shares in respect of valid share transfer instruments are transferred in the names of transferees complying with rules in force.

The Bank obtains half yearly certificate of compliance with the share transfer formalities as required under Regulation 40 (10) of the Listing Agreement with Stock Exchanges from a Company Secretary in Practice, and files a copy of the certificate with the Stock Exchanges where Bank's shares are listed.

DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL), ACT, 2013

Every staff of the Bank have the right to be treated with dignity and respect. Bank has no lenience towards women harassment at workplace and the same is strictly prohibited as it may perhaps lead to a vicious act. In order to safeguard harmless workplace for the women employees in the Bank, a policy on "Prevention, Prohibition and Redressal of sexual harassment of women employees at workplace and Redressal of Complaints of sexual harassment" has been formulated. As per Section 4 of "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act- 2013", the Bank constitutes an Internal Complaints Committee to preclude Women harassment at workplace to provide them with better atmosphere.

The disclosure required under section 22 of the Sexual Harassment of Women at the workplace (Prevention, Prohibition & Redressal) Act, 2013 are given below:

Number of complaints pending as on the beginning of the financial year	Nil
Number of complaints of sexual harassment received in the year	Nil
Number of complaints disposed off during the year	Nil
Number of complaints pending as on the end of the financial year	Nil
Number of cases pending for more than ninety days	Nil
Remedial measures taken by the company	NA
No of workshops or awareness programme against sexual harassment	15
Nature of action taken by employer/district officer	NA

OTHER DISCLOSURES

a) Related party transactions

All transactions with related parties were entered in the books as prescribed during the financial year was in the ordinary course of business only. However, there were no absolute comparable data available to compare the terms of contracts or arrangements so as to establish such transactions were on arm's length basis, the Bank decided to consider such contracts or arrangements as related party transactions and obtained requisite approvals for the said transactions as prescribed in the section 188 of the Companies Act, 2013, as amended and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, SEBI LODR Regulations and further reported the same as related party transactions.

There were no materially significant related party transactions with the Bank's Directors, Management or their relatives, which could have had a potential conflict with the interests of the Bank.

Bank has formulated a policy on materiality of related party transactions and also on dealing with related party transactions pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is displayed on the website of the Bank at <https://www.csb.co.in/pdf/PolicyondealingwithRelatedPartyTransactionnew.pdf>

Details of related party transaction in terms of AS - 18 entered into during the FY 2020 - 21 are given in notes to the financial statements.

b) Whistle Blower Policy/Vigil Mechanism:

The Bank put in place a 'Whistle Blower Policy/Vigil Mechanism' in compliance of the provisions of Regulations 4(2) (d) and 22 of the SEBI LODR Regulations, the Companies Act, 2013 and SEBI

(Prohibition of Insider Trading) Regulations, 2015 as amended. The Bank affirms that no employee has been denied access to the Audit Committee of the Board under the Whistle Blower/ Vigil Mechanism in the Bank. The details of the Whistle Blower Policy is available on the website of the Bank <https://csb.co.in/pdf/WhistleBlowerPolicy.pdf>

c) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

Not applicable. The Bank has not yet issued GDRs/ADRs and hence the same is not applicable in the Bank's case.

The Bank does not have any outstanding Warrants or any other convertible instruments as on March 31, 2021.

d) Plant Locations:

As the Bank is engaged in the business of Banking/ Financial Services, this is not applicable in the Bank's case. However, the Bank has 512 Branches (including three Service and Asset Recovery Branches, each) and 318 ATMs as on 31st March 2021.

e) Commodity Price Risks and Commodity hedging activities:

Risk is an integral part of the banking business and the Bank's aim is to maintain portfolio quality by making appropriate risk/reward trade-offs. Key risks that the Bank is exposed to are credit, concentration, market, country exposure, liquidity, operational and reputation risk. The Board of Directors of the Bank has oversight of all the risk assumed by the Bank and has delegated its power to manage risk to Risk Management Committee (RMC) of the Board. The Bank does not have direct exposure on any commodities. The Bank has exposure to borrowers which are secured against various commodities.

f) Certificate under Regulation 34(3) of Listing Regulations:

Pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations, a certificate has been obtained from "M/s. SVJS & Associates", Company Secretaries, Kochi, confirming that none of the Directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as Directors of the Companies either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other Statutory Authorities.

g) Fees paid to Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part:

The total fees incurred by the Bank for services rendered by Statutory Auditors are given below:

Fee paid (excluding taxes)	Amount (in ₹)
Statutory Audit/Limited review	1,07,00,000
Certification and other attestation services	26,25,000
Out of Pocket expenses	3,54,750
Total	1,36,79,750

h) Details of utilization of funds:

During the year under review, there were no preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the SEBI LODR Regulations.

i) Policies of the Bank:

As a part of good Corporate Governance, the Bank has adopted various policies/codes from time to time which are hosted on the website of the Bank at <https://csb.co.in/investor-relations>

j) Disclosure of the compliance with corporate governance requirements specified in regulations 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

All disclosures in compliance with the Corporate Governance requirement specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 to the extent applicable are hosted in Banks' website www.csb.co.in and have complied with the said regulations.

k) Accounting Policy

The significant accounting policy of the Bank is mentioned in Schedule 17 of the financial statements. There is no change in the accounting policy having financial impact during the FY 2020-21.

l) Strictures and Penalties

During the last 3 years, there were no penalties or strictures imposed on the Bank by the Stock Exchange(s) and/or SEBI and/or any other statutory authorities on matters relating to capital market activities.

GOVERNANCE CODES

Declaration of Compliance with the Code of Conduct

The Bank has adopted a 'Code of Conduct and Ethics for Board of Directors and Senior Management Personnel of the Bank' which is applicable to the Board of Directors and Senior Management personnel of the Bank. The code requires Directors and Senior Management Team members to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner.

All the Directors and Senior Management personnel have affirmed compliance with the Code of Conduct as approved and adopted by the Board of Directors. An annual confirmation of the Code of Conduct is taken from all the Directors and Senior Managerial Personnel to whom the Code applies. MD & CEO's affirmation that the Code of Conduct has been complied with by the persons covered under the Code is given at the end/part of this report.

CONFLICT OF INTERESTS

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. The members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of Board restrict themselves from any discussion and voting in transactions in which they have concern or interest.

COMPLIANCE WITH SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015

The Bank had adopted a "Code of Conduct- Prohibition of Insider Trading Policy" in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, to regulate, monitor and report trading by its designated persons and immediate relatives of designated persons. The code is applicable to promoters and promoter's Group, all Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Bank.

The Code requires that trading by Designated Persons and their Immediate Relatives shall be subject to pre-clearance by the Compliance Officer, if the value of the proposed trade(s) is above a minimum threshold limit of ₹ 10,00,000/- (Rupees Ten Lakh) in value (either in one transaction or series of transaction) over any calendar year/ quarter, or such other limits as the Board may

stipulate. This is a mandatory requirement even when the trading window is open. Further it prohibits the purchase or sale of Bank's securities by the Promoters, Directors, KMPs, Auditors, Designated Persons & their immediate relatives and other Connected Persons of the Bank while in possession of UPSI in relation to the Bank. Further, the trading window for dealing in shares of the Bank has been closed for the Promoters, Directors, KMPs, Auditors, Designated Persons & their immediate relatives, other Connected Persons of the Bank and the details of Trading Window closure were as under:

Trading Window Closure Period	Purpose of closure of Trading Window
April 01, 2020 to June 17, 2020	For announcement/declaration of the Audited Financial Results of the Bank for the quarter and financial year ending on March 31, 2020.
July 01, 2020 to August 21, 2020	For announcement/declaration of the unaudited financial results of the Bank for the quarter ending on June 30, 2020
October 01, 2020 to October 21, 2020	For announcement/declaration of the unaudited financial results of the Bank for the quarter and half year ending on September 30, 2020
January 01, 2021 to January 21, 2021	For announcement/declaration of the unaudited financial results of the Bank for the quarter and nine months ended on December 31, 2020
April 01, 2021 to May 11, 2021	For announcement/declaration of the Audited Financial Results of the Bank for the quarter and financial year ending on March 31, 2021

The Company Secretary is the Compliance Officer for monitoring adherence to the said regulation.

The Bank has also formulated 'The Code of Practices and procedures for fair disclosure of Unpublished Price Sensitive Information' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and this code is displayed on the Bank's website viz., www.csb.co.in.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the Bank has Board approved "Dividend Distribution Policy". The Policy has been displayed on the website of the Bank https://www.csb.co.in/pdf/CSB_Dividend_Policy.pdf. The Bank shall declare dividend only after ensuring compliance with the Banking Regulation Act, 1949, various regulatory guidelines on dividend declaration issued by RBI from time to time, the provisions of the Companies, Act, 2013 and the rules made there under, Listing Regulations, as amended to the extent applicable for Banking Companies.

UNCLAIMED DIVIDEND

As per the provisions of Section 124 (5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the Bank is statutorily required to transfer to the Investor Education & Protection Fund (IEPF), established by the Central Government, all dividends remaining unpaid/unclaimed for a period of 7 years, from the date of such transfer to the unclaimed dividend account. Once such amounts are transferred to IEPF, no claim of the shareholder shall lie against the Bank.

All dividends remaining unclaimed/unpaid upto and including for the financial year 1993-94 have been transferred to the General Revenue Account of the Central Government. Unpaid/unclaimed dividends for the financial years 1994-95 to 2012-13 have been transferred to Investor Education and Protection Fund (IEPF). No claim shall lie against the Bank for unpaid/unclaimed dividends once such dividends have been transferred.

The unclaimed dividends amount of ₹ 1,417,817/- for FY 2012-13 have been transferred to Investor Education and Protection Fund (IEPF) on October 30, 2020.

The unclaimed dividend and the respective shares for the financial year 2013-14 needs to be transferred to IEPF Authority after the due date i.e., October 28, 2021. The details of unclaimed dividends for the financial year 2013-14 and the last date for claiming such dividends are given below:

Financial Year	Unclaimed amount in (₹)	Date of declaration of dividend	Last date for claiming dividend
2013-14	10,91,195/-	26.09.2014	27.10.2021

In terms of Rule 5(8) of IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Bank has uploaded the information regarding unclaimed dividend due to be transferred to Investor Education Protection Fund (IEPF) on the Ministry's Website and also on Bank's Website. The Shareholders may claim the unclaimed/unpaid amount due to them by making a request to the Bank/RTA giving their particulars before the same are transferred to IEPF.

Bank has not declared any dividend since the financial year 2014-15.

TRANSFER OF SHARES TO IEPF AUTHORITY

In terms of the provisions of the Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended and other applicable rules, notifications and circulars, if any, every company is required to transfer the shares, in respect of which

dividend remains unpaid / unclaimed for a period of seven (7) consecutive years or more to the Investor Education Protection Fund (IEPF) Authority. Subsequent to such transfer of shares to "IEPF Authority", all future benefits which may accrue, on these shares, including future dividend, will be credited to the said IEPF Authority only.

As per the said Rules, Bank is required to transfer all shares in respect of which dividend has been unclaimed by the shareholders for FY 2013-14, subject to the requirements of non-claiming of dividend for a period of seven consecutive years. Bank will be sending individual communication to the concerned shareholders whose shares are liable to be transferred to IEPF Authority for taking appropriate action and submitting requisite documents to claim the unclaimed dividend amount.

Pursuant to the IEPF Rules, 104,932 shares in respect of which unclaimed/unpaid dividend was not claimed from 2012-13 for seven consecutive years were transferred to IEPF Authority Ministry of Corporate Affairs Account (IEPF) on November 17, 2020, bearing demat account no. 1204720013676780 which is opened with Central Depository Services (India) Limited (CDSL) with Depository Participant at SBICAP Securities Limited.

The information pertaining to unpaid/unclaimed dividends for last seven years and the details of such members whose unclaimed dividend/shares have been transferred to IEPF Authority is also available on the Bank's website www.csb.co.in.

Intimation to the Shareholders for claiming of dividends

Reminders to encash the unclaimed dividend on shares are sent to the relevant shareholders at regular intervals as required.

UNCLAIMED SHARE APPLICATION MONEY

Unclaimed Share application money in respect of Rights issue 2013 and allotment completed on March 30, 2013 was due for transfer to the Investor Education and Protection Fund on March 30, 2020, as per provisions of the Section 125(2)(h) of the Companies Act, 2013. To comply with the above requirements, the Bank on April 3, 2020 transferred ₹ 1,18,260/- to the Investor Education and Protection Fund, being the unclaimed share application money in respect of Rights Issue 2013. The applicants/members may claim for refund of the application money by making an application to IEPF authority as per the procedure prescribed in the IEPF Rules.

GUIDELINES FOR CLAIMING REFUND OF SHARES TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 7 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend has not been paid or claimed for seven consecutive years

or more shall be transferred by the Bank in the name of Investor Education and Protection Fund.

Any person whose shares have been transferred as per the above provision, can make an application for refund of shares by filing Form IEPF-5 available on the website www.iepf.gov.in along with fee specified by the Authority. Claimants are requested to read the instructions provided in the website (instruction kit for filing e-Form IEPF-5) which includes the steps to file the e-form IEPF-5.

On successful submission of the Form, an Acknowledgement/challan will be generated indicating the SRN. Claimants may please note the SRN for future tracking of the form.

The claimant has to send the print out of duly filled and uploaded claim form IEPF-5; with claimant signature and if joint holders are involved then the Form should be signed by all the joint holders, copy of acknowledgement generated after uploading the claim Form IEPF-5, Indemnity Bond (original) with claimant signature, Advance Stamped receipt (original) with signature of claimant and two witnesses along with other necessary documents as prescribed by the Authority to the Nodal Officer (IEPF) of the Bank at its registered office in an envelope marked "Claim for refund from IEPF Authority" for initiating the verification for claim.

The general information about the Bank required for filing the Form are given below;

(a)	Name of the Nodal Officer	Shri. Sijo Varghese
(b)	Corporate Identification Number (CIN) of the Bank	L65191KL1920PLC000175
(c)	Address of registered office of the Bank	CSB Bhavan, Post Box No. 502, St. Mary's College Road, Thrissur - 680 020, Kerala, India. Telephone: 0487 2333 020 Fax: 0487 2338 764
(d)	E-mail ID of the Bank	investors@csb.co.in

UPDATION OF PERMANENT ACCOUNT NUMBER (PAN) AND BANK DETAILS

The Securities and Exchange Board of India vide its Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated submission of Permanent Account Number (PAN) and bank account details by every participant in securities market. Accordingly, Members holding shares in physical form are requested to submit self-attested copy of the PAN Card(s) and any one of the Officially Valid Documents (OVD), cancelled cheque leaf where an active Bank account is maintained to the Bank's Registrars and Transfer Agents: Link Intime India Pvt. Ltd., Surya 35, May

Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028. Further members holding shares in electronic form are requested to submit their copy of the PAN Card(s) and Bank Account Details to their Depository Participants with whom they are maintaining their demat accounts.

DISCLOSURE UNDER REGULATION 39(4) OF THE SEBI LISTING REGULATIONS

Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia requires every listed company to comply with certain procedures while dealing with securities issued pursuant to the public issue or any other issue, physical or otherwise, which remain unclaimed and/or are lying in the escrow account, as applicable.

Bank had initiated and completed the action as specified under Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule VI, in respect of share certificates of the shares which were allotted prior to its listing of shares on the stock exchanges on December 4, 2019 and returned as undelivered and lying unclaimed.

As on March 31, 2020, 17,708 shares underlying in 166 share certificates of equal number of shareholders are

lying as unclaimed with Registrar & Share Transfer Agents of the Bank. No shares of the Bank were lying unclaimed in demat form as on said date.

As per the Schedule VI of the regulations, the Bank had sent three reminders in the manner prescribed, advising them to claim the same by writing to the Bank/Registrar & Share Transfer Agents of the Bank. Accordingly, 71 shareholders had claimed their share certificates and all the cases were returned after completing the formalities.

The Bank on September 28, 2020, transferred the remaining 9,966 shares underlying in 95 certificates into one folio in the name of 'CSB Bank Limited-Unclaimed Suspense Account', and dematerialised in the manner as provided in the regulation and the demat account is maintained with 'Stock Holding Corporation Of India Ltd'.

The disclosure in terms of Regulation 39(4) and Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below. Holding of shares in 'Unclaimed Suspense Account', is subject to Sections 124(5) and 124(6) of the Companies Act, 2013 in the matter of transfer of unpaid or unclaimed dividend and shares underlying thereon.

Sl. No.	Particulars	Number of Shareholders	No. of shares
01	Number of shareholders and the outstanding shares as on 01 st April 2020	NIL	NIL
02	Aggregate Number of shareholders and the outstanding shares transferred during the financial year to Unclaimed Suspense Account	95	9966
03	Less: No. of shareholders who approached the Bank for transfer of shares and to whom shares were transferred during the fiscal 2020-21	1	100
04	Less: No. of Shares transferred to the IEPF authority in terms of Section 124(6) of the Companies Act, 2013	0	0
05	Aggregate Number of shareholders and the outstanding shares as on 31 st March 2021 in the Unclaimed Suspense Account	94	9,866

The voting rights on the above mentioned 9,866 shares shall remain frozen till the rightful owner of such shares claims the same.

LISTING AGREEMENT WITH STOCK EXCHANGES

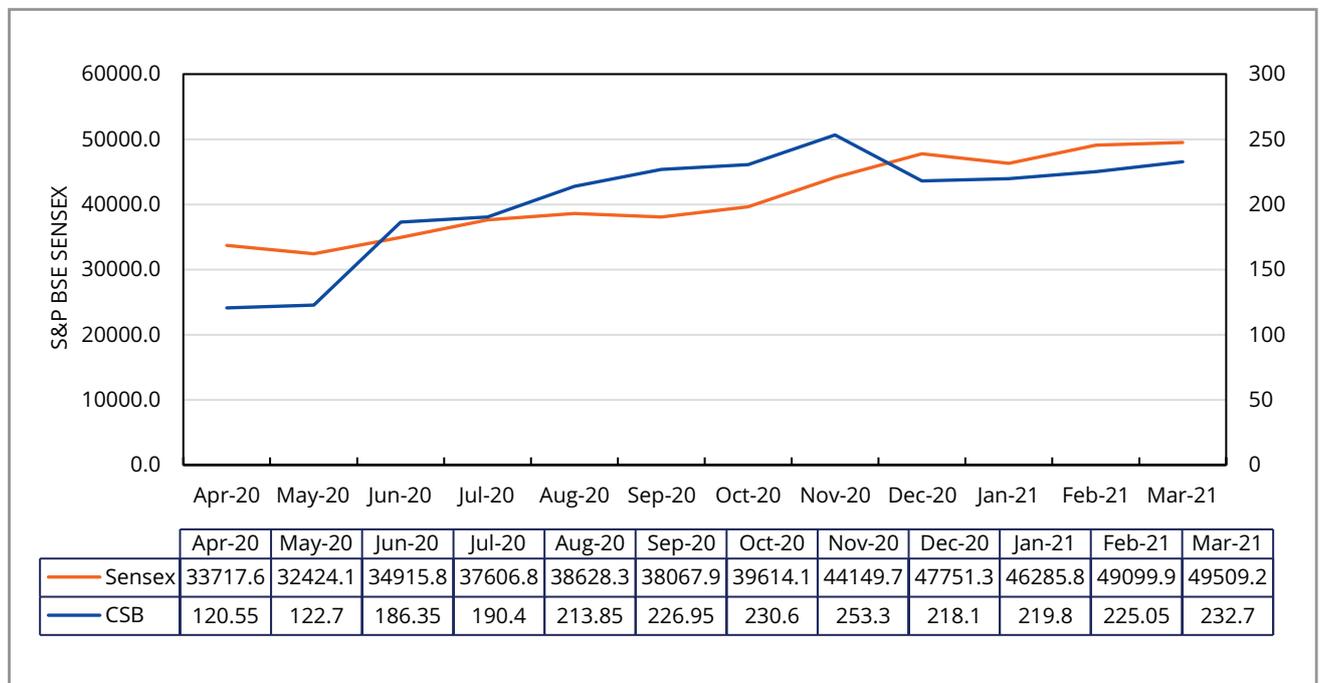
Bank's shares were listed on the exchanges with effect from December 4, 2019 and the listing fees payable to the Stock Exchanges for the financial year 2021-22 have already been paid.

STOCK MARKET PRICE DATA OF BANK'S SHARES

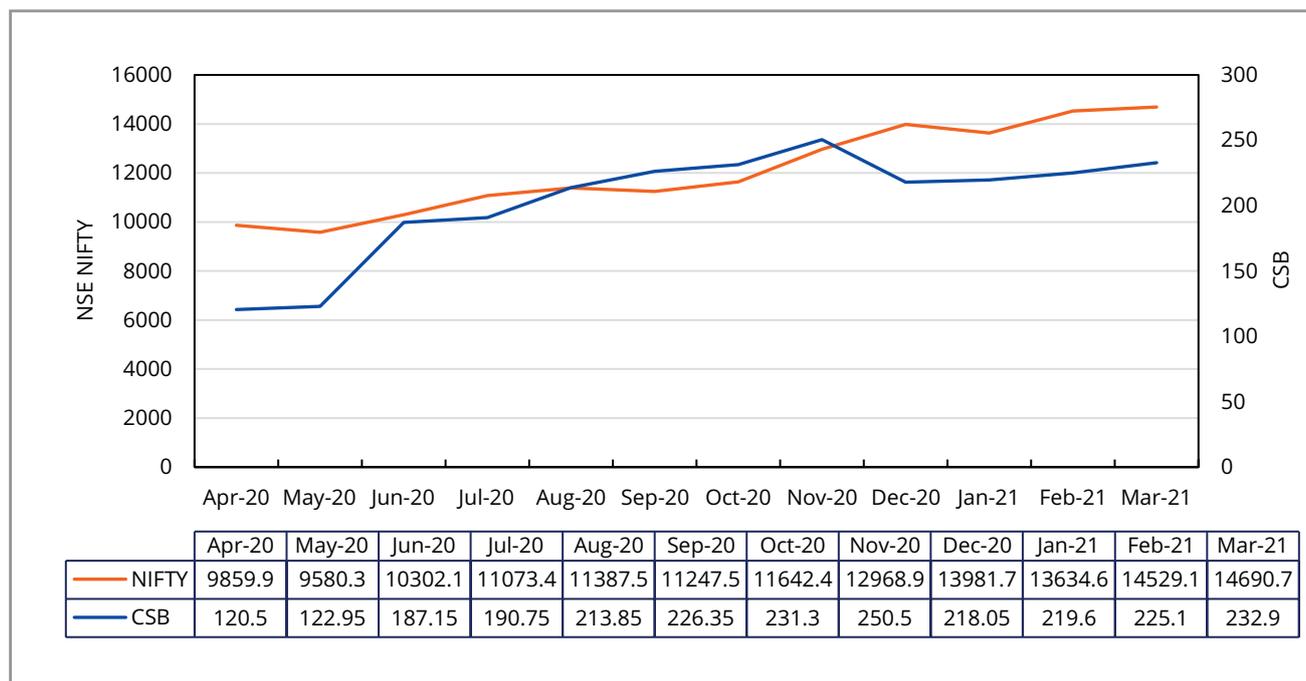
The monthly high and low prices of the Bank's shares traded on the National Stock Exchange of India Ltd. (NSE), Mumbai and BSE Ltd. (BSE), Mumbai during the period April 1, 2020 to March 31, 2021 are as under:

Month	BSE		NSE	
	High	Low	High	Low
April 2020	128.05	108.30	128.80	107.05
May 2020	126.05	110.10	126.30	110.55
June 2020	195.00	123.00	195.25	123.05
July 2020	203.80	172.80	204.00	172.65
August 2020	245.00	187.55	245.35	186.45
September 2020	245.00	204.70	245.00	203.90
October 2020	249.30	219.00	249.85	221.65
November 2020	269.90	229.40	268.40	227.55
December 2020	269.00	197.05	249.90	193.20
January 2021	243.75	215.05	243.70	213.80
February 2021	234.20	215.60	234.50	215.10
March 2021	279.75	224.00	280.00	224.00

PERFORMANCE OF THE CSB BANK EQUITY SHARES RELATIVE TO S&P BSE SENSEX FROM APRIL 1, 2020 AND UP TO MARCH 31, 2021.



PERFORMANCE OF THE CSB BANK EQUITY SHARES RELATIVE TO NSE NIFTY FROM APRIL 1, 2020 AND UP TO MARCH 31, 2021.



FINANCIAL CALENDAR FOR PUBLICATION OF FINANCIAL RESULTS: 1ST APRIL 2020 TO 31ST MARCH 2021

Quarter ending	Date of approval	Quarter ending	Date of approval
30.06.2020	19.08.2020	31.12.2020	19.01.2021
30.09.2020	19.10.2020	31.03.2021	08.05.2021

MEANS OF COMMUNICATION

After the approval of Quarterly/Yearly Financial Results ('Results') by the Board of Directors, the same are being disclosed to the Stock Exchange/s, formal presentations are made to analysts by the Management and the same is also placed on the Bank's website at www.csb.co.in.

The results are communicated through newspaper advertisements, press releases and by posting information on the Bank's website. Results are generally published in the Business Standard and Malayalam Daily "Deepika" on the next day of results declaration.

The Bank conducts meetings/call with Institutional Investors and Analysts in every quarter, after the results are declared. The Investors Presentations and transcript of the Institutional Investors and Analysts call are uploaded in the Bank's website www.csb.co.in and also submitted to the stock exchanges. The Bank has recently started uploading of the audio recordings of the Institutional Investors and Analysts meetings/call in the Bank's website www.csb.co.in, with a reporting of the same to the stock exchanges.

The results, Annual Report including the Notice and Explanatory Statement are also displayed on the Bank's website at www.csb.co.in.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

To monitor Foreign Exchange risk, Bank has envisaged Forex VaR and AGL which are being monitored on daily basis by Market Risk department. Bank also has Investment, Forex policy to define and regulate Forex operations taken up by the Bank and different levels of limits are given in it. Treasury also monitors foreign assets liabilities gap to hedge it in the market. Bank hedges its foreign currency position using derivatives including mainly SWAPs and outright Forwards. Bank is not involved in commodity trading and its hedging activities.

MD & CEO/CFO CERTIFICATION

The certification by Managing Director & CEO and Chief Financial Officer pursuant to the Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the financial statements and internal controls relating to financial reporting has been obtained and the same forms part of the Report.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

As part of the 'Green Initiative in Corporate Governance' programme initiated by the Ministry of Corporate Affairs (MCA), the Bank has already put in place mechanism

for sending all notices/documents including Notice of the Shareholders' Meeting, Balance Sheet, Profit & Loss Account, Auditors' Report, Directors' Report and so on, in electronic form.

Further, in terms of Regulation 36 of the Listing Regulations, MCA circular dated January 13, 2021 SEBI Circular dated January 15, 2021, the listed entity is required to send soft copies of its Annual Report to all those shareholder(s), who have registered their email address for this purpose. Accordingly, the documents including the notice and explanatory statement of 100th Annual General Meeting, Annual Report of the Bank for the financial year 2020-21 including Audited Financial Statements, Directors' Report, Auditors' Report etc., for the year ended March 31, 2021, are being sent to the e-mail address registered with their Depository Participant (DP)/Registrar/Bank. The e-mail addresses indicated in respective DP accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be their registered e-mail address for serving notices/documents including those covered under Section 136 of the Companies Act, 2013. In case a Member, whose email address has changed, fails to update this new e-mail address, the said documents will be sent to the existing e-mail address and the said documents will be deemed to have been delivered, in compliance with the relevant provisions of the Companies Act, 2013, the relevant Rules made there under and the Listing Regulations. Members who have not yet registered their email address have been requested to do so, at the earliest. In case of shares held in electronic form and in case of any change in the email address, Members have been requested to update the same with their DP and in case of shares held in Physical form, Members have been requested to update the same with the Registrar/Company.

Shareholders have been requested on several occasions to update their e-mail IDs in their folio/demat a/c to help accelerate the Bank's migration to paperless compliances. The Bank seeks your support to the said green initiatives, as it is designed to protect the fragile environment.

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Bank's shares were listed on the Stock Exchanges on December 4, 2019. The Bank has complied with all mandatory recommendations prescribed in Listing Agreement/ SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from the date of listing or from the respective date of applicability of the same in

the Bank's case, whichever is earlier. A certificate to this effect issued by M/s SVJS & Associates, Practising Company Secretaries, Kochi is annexed.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

In addition to the Mandatory Requirements, your Bank has ensured the implementation of the non-mandatory requirements as suggested in Regulation 27 read with Part E of Schedule II of the Listing Regulations.

1. The Board

Part-time Chairman is entitled to maintain his office at the administrative/other office space of the Bank which is at the expenses of the Bank, though no office has been specifically allotted to the present chairman. Part-time Chairman is entitled and allowed for reimbursement of expenses incurred in performance of his duties.

2. Shareholders' rights

The Bank publishes its financial result once approved by the Board of Directors to the Stock Exchanges within 30 minutes (under Regulation 30 of the Listing Regulations) of the conclusion of the agenda/meeting. The same are also available on the websites of the Stock Exchanges.

Quarterly/Annual Financial statements are also published in the Newspapers and uploaded in the Bank's website. Shareholders/Investor presentations on Quarterly /Annual financial statements are uploaded in the Bank's website and intimated to Stock Exchanges and where shares of the Bank are listed.

3. Unmodified audit opinion /reporting

The Auditors have expressed an unmodified opinion on the financial statement of the Bank.

4. Reporting of Internal Auditor:

The Internal Auditor directly reports to the Audit Committee of the Board.

INVESTOR HELP DESK

Share transfers, dividend payments, if any, and all other investor related activities are attended to and processed at the office of the Bank/ Bank's Registrars and Transfer Agents (RTAs).

Pursuant to Regulation 6(2)(d) Listing Regulations, Bank has created a separate e-Mail ID viz. investors@csb.co.in for redressal of Investor Complaints and Grievances.

GENERAL INFORMATION FOR SHAREHOLDERS

Financial Calendar	01.04.2020– 31.03.2021	
Date of the Board Meeting at which the final accounts were approved	May 8, 2021	
Dividend	NIL. Board has not recommended dividend for the financial year 2020-21	
100 th Annual General Meeting	Date :	August 12, 2021
	Day :	Thursday
	Time :	11:00 AM
	Venue/ Virtual meeting	The Bank is conducting meeting through VC / OAVM pursuant to the MCA Circulars dated May 5, 2020 and January 13, 2021, SEBI Circulars dated May 12, 2020 and January 15, 2021 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
Date of the Book Closure	August 06, 2021 to August 12, 2021	
Listing on Stock Exchanges	<ol style="list-style-type: none"> The National Stock Exchange of India Ltd. Exchange plaza, 5th floor, Bandra-kurla Complex, Bandra (E), Mumbai 400051. BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001. 	
Date of Listing	December 04, 2019	
Stock Code	NSE : CSBBANK BSE : 542867	
Corporate Identity Number (CIN).	L65191KL1920PLC000175.	
ISIN	INE679A01013	
Credit Rating	<p>CRISIL has reaffirmed the rating 'CRISIL A1+' to the ₹ 2,000 crore Certificate of Deposits Programme and ₹ 2,000 crore Short Term Fixed Deposits Programme of the Bank.</p> <p>CRISIL, vide letter dated June 3, 2021 has assigned 'CRISIL A /Stable' rating to the proposed ₹ 500 Crore Tier II, Basel III compliant bonds issue Programme of the Bank.</p>	
Bank's Address for correspondence / Address of the Compliance Officer.	<p>Mr. Sijo Varghese, Company Secretary, CSB Bank Limited, "CSB Bhavan", Post Box No. 502, St. Mary's College Road, Thrissur 680 020, Kerala. Phone No.: +91 487 2333 020 Fax: +91 487 2338 764 Email: board@csb.co.in Website: www.csb.co.in</p>	
Address of the Registrars & Share Transfer Agents of the Bank.	<p>Link Intime India Pvt. Ltd. Surya 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028. Tel : 0422 – 2314 792, 2315 792: Fax : 022-49186060 Email : coimbatore@linkintime.co.in</p>	

By Order of the Board
Sd/-

Madhavan Aravamuthan
Chairman
(DIN: 01865555)

Place: Thrissur
Date : July 05, 2021

AFFIRMATION OF COMPLIANCE WITH CODE OF CONDUCT

I, C.VR. Rajendran, Managing Director & CEO hereby declare that the Bank's Code of Conduct and Ethics for Board of Directors and Senior Management Personnel of the Bank has been accepted and the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management as required under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on "Corporate Governance".

Place: Thrissur
Date : July 05, 2021

Sd/-
C.VR. Rajendran
Managing Director & CEO
(DIN: 00460061)

CEO / CFO CERTIFICATION

We, C. VR. Rajendran, Managing Director & CEO and B K Divakara, Chief Financial Officer, of CSB Bank Limited hereby certify that:

- (A) We have reviewed financial statements for the 12 months ended 31.03.2021 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B). There are, to the best of our knowledge and belief, no transactions entered into by the Bank during the period which are fraudulent, illegal or violative of the Bank's code of conduct.
- (C). We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Bank pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the auditors and the Audit Committee :
- (1) there has not been any significant changes in internal control over financial reporting during the period;
 - (2) there has not been any significant changes in accounting policies during the period except accelerated provisioning for NPA; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Bank's internal control system over financial reporting.

Sd/-

B. K. Divakara
Chief Financial Officer

Sd/-

C.VR. Rajendran
Managing Director & CEO
(DIN: 00460061)

Place: Thrissur

Date : May 08, 2021

CERTIFICATE ON CORPORATE GOVERNANCE

To the members of **CSB BANK LIMITED**

We have examined the compliance of conditions of Corporate Governance by **CSB BANK LIMITED [CIN: L65191KL1920PLC000175]** having its registered office at Head Office, "CSB Bhavan", Post Box No.502, St. Mary's College Road, Thrissur -680020 for the year ended **31st March, 2021** as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46 (2), Schedule V and Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated above. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates
Company Secretaries

Sd/-

CS Vincent P.D.

Managing Partner

CP No.: 7940, FCS: 3067

UDIN: F003067C000430802

Place: Kochi

Date: June 08, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
CSB Bank Limited
Head Office, "CSB Bhavan"
Post Box No.502,
St.Mary's College Road
Thrissur-680020
Kerala

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **CSB Bank Limited** having CIN: **L65191KL1920PLC000175** and having registered office at Head Office, "CSB Bhavan", Post Box No.502, St.Mary's College Road, Thrissur-680020, Kerala (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2021** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority.

Sl. No.	Name of Director	DIN	Date of appointment in Company
1	Mr.Madhavan Menon Karunakaran	00008542	03.09.2018
2	Mr.Rajendran Chinna Veerappan	00460061	24.11.2016
3	Mr.Thomas Mathew*	01277149	24.04.2017
4	Mr.Aravamuthan Madhavan	01865555	13.12.2018
5	Ms.Bhama Krishnamurthy	02196839	03.09.2018
6	Mr.Syed Nagoor Ali Jinnah#	05238633	06.03.2019
7	Mr.Sumit Maheshwari	06920646	03.09.2018
8	Mr.Sudhin Bhagwandas Choksey	00036085	30.03.2021
9	Ms.Sharmila Abhay Karve	05018751	20.07.2020

* Mr.Thomas Mathew retired from the board on 25.09.2020

Mr.Syed Nagoor Ali Jinnah resigned from the board on 19.04.2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SVJS & Associates
Company Secretaries

Sd/-

CS Vincent P.D.

Managing Partner

CP No.: 7940, FCS: 3067

UDIN: F003067C000430824

Place : Kochi
Date : June 08, 2021