

# Report on Corporate Governance

## BANK'S PHILOSOPHY ON CODE OF GOVERNANCE

The Corporate Governance Philosophy of the Bank emphasises the need to promote corporate fairness, business excellence, transparency, accountability, integrity, social responsibility and regulatory compliance so as to enhance long-term value creation for all stakeholders. This philosophy is realized through the Bank's endeavour in working towards portfolio, operational and reputation excellence ensuring better systems and controls. Your Bank has adapted and accepted to changes in corporate governance norms thereby aiming towards aligning corporate governance standards to global best practices.

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, customer satisfaction and shareholder value. The Bank always endeavours to leverage its all available and accessible resources to translate opportunities into reality, create awareness of corporate vision and mission, spark dynamism and entrepreneurship among all resources. Your Bank also believes that sound corporate governance is critical to enhance and retain confidence of all stakeholders. Your Bank always seeks to follow the best practices in corporate governance and in tune with the regulatory prescriptions, ensuring compliance with zero tolerance at all levels.

Your Bank being guardian of public money, maintains the highest standards of corporate governance with a commitment to ensure accountability, fairness, diversity and transparency and takes exceptional care in governance matters so as to enjoy the trust and goodwill of the public at large. This approach is designed as central, with Board of Directors functioning as the brain laying down strong principles, foundation, policies and processes for the day-to-day functioning of the Bank and in implementation of its business strategy maintaining high ethical standards. 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 through constantly and consistently monitoring the policies, practices, actions and decisions of top management and all affected stakeholders.

## BOARD COMPOSITION

The Bank recognizes that a well-balanced Board creates a culture of leadership to provide long-term vision, ensure governance as well as protect the interest of all stakeholders. The composition of the Board reflects a diverse means 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 emphasises Directors' independence which is vital and critical to effective Corporate Governance, and providing objective independent judgment that represents the interests of all stakeholders is at the core of the Board's oversight function. In the process of composition of Board and sub-committees, practices and principles of Good Corporate Governance have been evolved and your Bank is ready to adopt further changes to strengthen it, particularly on ensuring independence in spirit of Independent Directors and their active participation in functioning of the Bank, improving safeguards and disclosures pertaining to Related Party Transactions, issues in accounting and auditing practices, improving effectiveness of Board Evaluation practices, addressing issues faced by investors on voting and participation in general meetings, disclosure and transparency related issues. 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.

Your Bank has a broad-based Board, constituted in line with the Corporate Governance Philosophy and Principles and 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, majority of them from Banking domain with different skill-sets, expertise and competence, representing the areas/sectors like Agriculture, Rural Economy, Banking, Accountancy,

Co-operation, Information Technology, 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 as these are 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.

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.

Board exercise its powers, duties and responsibilities as envisaged in line with the Banking Regulation Act, 1949, the extant guidelines issued by RBI from time to time, the Companies Act, 2013 and rules made thereunder, 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 Bank, as on March 31, 2022, has Ten (10) directors on its Board chaired by the Non-Executive-Independent Part-time Chairman and the Composition of Board are furnished as under:

Sl.No.	Name of the Director	Nature of Directorship	Category
1	Mr. Madhavan Aravamuthan	Part-time Chairman <sup>#</sup>	Independent
2	Mr. C.VR. Rajendran	Managing Director & CEO *	Executive
3	Mr. Pralay Mondal	Deputy Managing Director	Executive
4	Mr. Madhavan Menon	Non – Executive Director	Non– Independent
5	Mr. Sumit Maheshwari	Non – Executive Director	Non– Independent
6	Ms. Bhama Krishnamurthy	Non – Executive Woman Director	Independent
7	Ms. Sharmila Abhay Karve	Non – Executive Woman Director	Independent
8	Mr. Sudhin Choksey	Non – Executive Director	Independent
9	Mr. Sunil Srivastav	Non – Executive Director	Independent
10	Mr. Sharad Kumar Saxena	Non – Executive Director	Independent

\* Took early retirement from the position of Managing Director & CEO of the Bank with effect from the close of office hours on March 31, 2022.

<sup>#</sup>Tenure of appointment as Part-Time Chairman of the Bank shall end at the close of office hours on June 28, 2022

## POLICY ON BOARD DIVERSITY

Your Bank believes that a diversified Board will enhance the quality of the decisions made at the Board level by utilizing the different skills, qualification, professional experience, gender, knowledge, etc., of the members of the Board, necessary for achieving sustainable and balanced development.

Accordingly, Policy on Board Diversity of the Bank sets out the approach to ensure diversity on the Board in terms of thought, experience, knowledge, perspective and gender, based on the Listing Regulations, the Banking Regulation Act, 1949, Companies Act, 2013 as well as other laws, rules and regulations applicable to the Bank subject to satisfying the Fit and Proper Criteria for directors as per the regulatory requirement of RBI and the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The composition of the Board as designed according to the policy, 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 functions effectively.

Your 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, age and industry experience, background, gender 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, the appointment of at least one woman director on the Board of the Bank is also considered.

## PROFILE OF DIRECTORS

<b>Mr. Madhavan Aravamuthan</b>
DIN: 01865555
<b>Non – Executive Independent (Part-Time) Chairman</b>
<b>Education:</b> Master's Degree in Economics and a Certified Associate of Indian Institute of Bankers.
<b>Date of joining the Board:</b> December 13, 2018
<b>Areas of skill/expertise:</b> Banking, Economics, Finance, Information Technology and Payment & Settlement System

Mr. Madhavan Aravamuthan was appointed as Part-time Chairman of the Bank effective from August 10, 2020 and continues to be the Part-time Chairman of the Bank till June 28, 2022. He 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.

<b>Mr. C.VR. Rajendran</b>
DIN: 00460061
<b>Managing Director and Chief Executive Officer [Retired on March 31, 2022]</b>
<b>Education:</b> Master's Degree in commerce, ICWA- Inter and is an associate of the Indian Institute of Bankers
<b>Date of joining the Board:</b> December 09, 2016
<b>Areas of skill/expertise:</b> Banking

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 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. C. VR. Rajendran, Managing Director & CEO, took early retirement from the position, after office hours on March 31, 2022 on health grounds.

<b>Mr. Pralay Mondal</b>
DIN: 00117994
<b>Deputy Managing Director</b>
<b>Education:</b> Engineering from IIT, Kharagpur and Management graduate from IIM, Calcutta
<b>Date of joining the Board:</b> February 17, 2022
<b>Areas of skill/expertise:</b> Banking

Mr. Pralay Mondal was appointed as the Deputy Managing Director of the Bank with effect from February 17, 2022. Subsequently, he was appointed as Managing Director & CEO (Interim) of the Bank with effect from April 1, 2022 as per the requirements of Section 10 B (9) of the Banking Regulation Act, 1949. His first appointment in the Bank was as President (Retail, SME, Technology and Operations) since September 23, 2020.

Mr. Pralay is an Engineer from IIT, Kharagpur and a Management graduate from IIM, Calcutta.

Prior to joining CSB Bank, Mr. Pralay was Executive Director & Head of Retail Banking at Axis Bank. He has around 30 years of banking experience across multiple business and functions including retail assets, retail liabilities, business banking, products and technology. Before joining Axis Bank, Mr. Pralay was the Senior Group President and Head of Retail and Business Banking at Yes Bank. He was instrumental in setting up the entire retail franchise in that bank in a short period of time. At Yes Bank, Mr. Pralay used to frequently meet the Investors and Analysts and have been part of the core group engaging with relevant people in India and overseas to represent the bank for raising capital. Prior to that he had a successful 12 years stint at HDFC Bank and was earlier associated with Standard Chartered Bank, Wipro InfoTech and Colgate Palmolive. Mr. Pralay's achievements include pioneering efforts in doorstep banking and direct sales, creating deep geography distribution, and building and scaling up of

retail businesses. He is also credited with building capital market, wealth management, private banking, NBFC, credit cards, payments and digital businesses, from scratch.

<b>Mr. Madhavan Menon</b>
DIN: 00008542
<b>Non-Executive Non-Independent Director</b>
<b>Education:</b> Master's Degree in Business Administration from the George Washington University
<b>Date of Joining the Board:</b> September 03, 2018
<b>Areas of skill/expertise:</b> Banking, Finance, Human Resource and Business Management

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 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 focuses on bringing down the cost of treating kidney related ailments in the country.

<b>Mr. Sumit Maheshwari</b>
DIN: 06920646
<b>Non-Executive Non-Independent Director</b>
<b>Education:</b> Master's Degree in Commerce, Master of Business Administration & Member of the ICAI
<b>Date of Joining the Board:</b> September 03, 2018
<b>Areas of skill/expertise:</b> Finance, Accountancy and Business Management

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, has completed the Post Graduate Programme in Management from the Indian School of Business, Hyderabad, and holds Masters Degree in Commerce from the University of Mumbai.

Mr. Maheshwari joined Fairbridge Capital in 2011 and has been the Managing Director of Fairbridge Capital since May 2018. Mr. Maheshwari is responsible to source, evaluate,

negotiate, execute and exit investment opportunities. He is also responsible to monitor the portfolio companies. Mr. Maheshwari has been involved in the investments of Bangalore Airport, Sanmar Group, CSB Bank, Fairchem Organics, Seven Islands Shipping, Thomas Cook, Qness Corp and Sterling Holidays amongst others. Mr. Maheshwari serves on the board of directors of many of Fairfax's portfolio companies. Prior to joining Fairbridge Capital, Mr. Maheshwari worked with KPMG in India and the UK in their audit and accounting advisory functions. Mr. Maheshwari is a resident of Mumbai, Maharashtra, India.

<b>Ms. Bhama Krishnamurthy</b>
DIN: 02196839
<b>Non – Executive Independent Director</b>
<b>Education:</b> Master's Degree in Science
<b>Date of Joining the Board:</b> September 03, 2018
<b>Areas of skill/expertise:</b> Banking, Human Resource, Risk Management and Small Scale Industry

Ms. Bhama Krishnamurthy is an Independent Director of the Bank and has been associated with the Bank since September 3, 2018.

Ms. 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. She has 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. Ms. Bhama Krishnamurthy was instrumental in bringing about several policy changes in various State Financial Corporations, while serving on the Boards, as nominee of SIDBI.

<b>Ms. Sharmila Abhay Karve</b>
DIN: 05018751
<b>Non – Executive Independent Director</b>
<b>Education:</b> Bachelor's Degree in Commerce & Member of the ICAI
<b>Date of Joining the Board:</b> July 20, 2020
<b>Areas of skill/expertise:</b> Finance and Accountancy

Ms. Sharmila Abhay Karve is an Independent Director of the Bank and has been associated with the Bank since July 20, 2020.

Ms. 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 30 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

#### Non – Executive Independent Director

**Education:** Bachelor's Degree in Commerce and also a fellow Member of the ICAI

**Date of Joining the Board:** March 30, 2021

**Areas of skill/expertise:** Banking, Finance and Accountancy

Mr. Sudhin Choksey is an Independent Director of the Bank and has been associated with the Bank since March 30, 2021.

Mr. Sudhin Choksey has an 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. Sudhin 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. Sudhin 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.

#### Mr. Sunil Srivastav

DIN: 00237561

#### Non – Executive Independent Director

**Education:** Bachelor's Degree in Science, MBA from Banaras Hindu University and a Certified Associate of Indian Institute of Bankers.

**Date of Joining the Board:** June 8, 2021

**Areas of skill/expertise:** Banking, Business Management and Agriculture & Rural Economy

Mr. Sunil Srivastav is an Independent Director of the Bank and has been associated with the Bank since June 8, 2021.

Mr. Srivastav was associated with the State Bank of India for more than 38 years. He had joined State Bank of India in 1980 as a probationary officer and held various positions in State Bank of India until he retired as Deputy Managing Director of Corporate Banking from State Bank of India, in 2018. Mr. Srivastav's rich experience in banking includes Credit Risk, Project Finance, Corporate Finance, International Banking, Investment Banking, Corporate Strategy, National/elite Banking, Corporate Banking and Digital & Retail Banking with varied experience across geographies in India & abroad, having been a part of various cycles in the development of the Indian economy. Mr. Srivastav was a keen analyst and commentator on developments in the field of Corporate Finance and Banking. Post retirement in April 2018, Mr. Srivastav has been engaged as a Senior Advisor (Part time) with Edelweiss Group, Vedanta India, and The World Bank - Energy and Extractives program in India. Mr. Srivastav is currently on the Board as Independent Director, in few companies. Mr. Srivastav had previously served on the Boards of Gillanders Arbuthnot Ltd., SBICAP Trustee and Custodial Services, West Bengal Financial Development Corp., National Payments Corporation of India and as a Member of Global Advisory Board of Master Card, to name a few. He also has a deep understanding of the NBFC Sector, gained while heading the Corporate Banking function of the SBI. He is currently serving as Independent Director on the Board of many companies.

Mr. Sunil Srivastav is a Graduate in Science from Delhi University and has done his Masters' in Business Administration from Banaras Hindu University. He has also done "Negotiation Dynamics" from INSEAD, Paris. He is a Certified Associate of Indian Institute of Bankers.

#### Mr. Sharad Kumar Saxena

DIN: 08238872

#### Non – Executive Independent Director

**Education:** Engineering graduate in Electronics & Telecommunication and Certified Information System Auditor (CISA) from ISACA, US.

**Date of Joining the Board:** February 19, 2022

**Areas of skill/expertise:** Banking, Information Technology and Payment & Settlement System



Mr. Sharad Kumar Saxena is an Independent Director of the Bank and has been associated with the Bank since February 19, 2022.

Mr. Sharad Saxena has more than 30 years of experience and had held almost all the leadership positions in ICICI Bank technology group, like, heading the technology function for Corporate Banking, Commercial Banking, Asset products including Corporate & Retail Loans, International Banking, Credit Cards, Cash Management Services, Payment Systems, Core Banking, Switching, HR, CRM and Compliance & Fraud Management, Head of IT Infrastructure group including Networks and head of Technology Compliance for interfacing all audits and inspections. Some of his key accomplishments were execution of numerous business and productivity enabling projects, transformation and migration of live Data Centers across the cities, migration of large applications and technology platforms, co-creating new technology enabled business models, setting up of IT Governance and Compliance function within IT, etc. As a member of the core technical committees of RBI for the following initiatives, he was in-charge of automation of Regulatory Returns filing, NG-RTGS, RBI Core Banking and Interface with Government Departments and Managing Outsourcing Risks. Later, as Chief Technology Officer for amalgamated Bank of Baroda, as the Chief Technology Officer and the head of IT of Bank of Baroda, erstwhile Vijaya Bank, and erstwhile Dena Bank, successfully led the most complex and the biggest bank merger in the country. Made a strategic roadmap for IT landscape of the amalgamated bank to sustain its business strategies for the next five years. This included movement to cloud, renewal of IT infrastructure, development of big data lake platform, consolidation and movement of data centers and large-scale digitization.

Mr. Sharad Saxena is an Engineering graduate in Electronics & Telecommunication from Government Engineering College, Jabalpur. He is also a Certified Information System Auditor (CISA) from ISACA, US, and a Certified ISO 27001 Implementer and Certified Senior Examiner for Quality Management for the Indian Merchant's Chamber.

## RESIGNATION OF INDEPENDENT DIRECTOR

Mr. Syed Nagoor Ali Jinnah (DIN: 05238633) resigned from the position of the Non-Executive Independent Director of the Bank with effect from April 19, 2021 on personal grounds of health.

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 read with Clause 7B of Part A of Schedule III, Mr. Syed Nagoor Ali Jinnah confirmed that there are no material reasons for his resignation from the position of Independent Director of the Bank other than on personal grounds of health.

## 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, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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. For appointment of independent directors, the balance of skills, knowledge and experience on the Board will also be considered while filling up position on the Board of the Bank.

Nature of interest/ core skills/expertise/ competencies	Name of the Director having the identified Skill/Expertise/ Competencies
Banking	1. Mr. Madhavan Aravamuthan
	2. Mr. C. VR. Rajendran
	3. Mr. Pralay Mondal
	4. Mr. Madhavan Menon
	5. Ms. Bhama Krishnamurthy
	6. Mr. Sudhin Choksey
	7. Mr. Sunil Srivastav
	8. Mr. Sharad Kumar Saxena
Economics	1. Mr. Madhavan Aravamuthan
Finance	1. Mr. Madhavan Aravamuthan
	2. Mr. Madhavan Menon
	3. Mr. Sumit Maheshwari
	4. Ms. Sharmila Abhay Karve
	5. Mr. Sudhin Choksey
Information Technology	1. Mr. Madhavan Aravamuthan
	2. Mr. Sharad Kumar Saxena
Payment and Settlement Systems	1. Mr. Madhavan Aravamuthan
	2. Mr. Sharad Kumar Saxena
Accountancy	1. Mr. Sumit Maheshwari
	2. Ms. Sharmila Abhay Karve
	3. Mr. Sudhin Choksey
Human Resources	1. Ms. Bhama Krishnamurthy
	2. Mr. Madhavan Menon
Risk Management	1. Ms. Bhama Krishnamurthy
Business Management	1. Mr. Sumit Maheshwari
	2. Mr. Sunil Srivastav
	3. Mr. Madhavan Menon
Small Scale Industry	1. Ms. Bhama Krishnamurthy
Agriculture and Rural Economy	1. Mr. Sunil Srivastav

**DETAILS OF ATTENDANCE OF EACH DIRECTOR AT BOARD MEETINGS AND AT THE LAST YEAR'S ANNUAL GENERAL MEETING:**

Name of Director	Executive / Non – Executive Director	Independent / Non- Independent Director	No. of Board Meetings Held during the Tenure	No. of Board Meetings Attended	% of Attendance	Attendance of last AGM held on 12.08.2021
<b>Part-time Chairman- Independent</b>						
Mr. Madhavan Aravamuthan <sup>!</sup>	Non – Executive	Independent	16	16	100%	Present
<b>Managing Director &amp; CEO</b>						
Mr. C. VR. Rajendran <sup>*</sup>	Executive	Non– Independent	16	15	93.75%	Present
<b>Deputy Managing Director</b>						
Mr. Pralay Mondal <sup>%</sup>	Executive	Non– Independent	5	3	60%	NA
<b>Non – Executive Directors</b>						
Mr. Madhavan Menon <sup>\$</sup>	Non – Executive	Non– Independent	16	15	93.75%	Present
Mr. Sumit Maheshwari	Non – Executive	Non– Independent	16	16	100%	Present
<b>Independent Directors</b>						
Ms. Bhama Krishnamurthy <sup>^</sup>	Non – Executive	Independent	16	16	100%	Present
Ms. Sharmila Abhay Karve <sup>&amp;</sup>	Non – Executive	Independent	16	15	93.75%	Present
Mr. Sudhin Choksey <sup>#</sup>	Non – Executive	Independent	16	15	93.75%	Present
Mr. Sunil Srivastav <sup>@</sup>	Non – Executive	Independent	13	13	100%	Present
Mr. Sharad Kumar Saxena <sup>@@</sup>	Non – Executive	Independent	5	5	100%	NA

<sup>!</sup> Reappointed at the Annual General Meeting held on August 12, 2021, for a period of three consecutive years with effect from June 29, 2022 to June 28, 2025.

<sup>\*</sup> took early retirement from the position of Managing Director & CEO and relieved him from the position, after office hours on March 31, 2022.

<sup>%</sup> Appointed as Deputy Managing Director w.e.f. February 17, 2022.

<sup>\$</sup> Reappointed at the Annual General Meeting held on August 12, 2021, liable to retire by rotation at the Annual General Meeting.

<sup>^</sup> Reappointed at the Annual General Meeting held on August 12, 2021, for a period of three consecutive years with effect from September 29, 2021 to September 28, 2024.

<sup>&</sup> Appointed at the Annual General Meeting held on August 12, 2021, for the period of three consecutive years with effect from July 20, 2020 to July 19, 2023.

<sup>#</sup> Appointed at the Annual General Meeting held on August 12, 2021, with effect from March 30, 2021 to January 30, 2024.

<sup>@</sup> Appointed at the Annual General Meeting held on August 12, 2021, for a period of three consecutive years with effect from June 08, 2021 to June 07, 2024.

<sup>@@</sup> Appointed as an Independent Director for a period of three consecutive years with effect from February 19, 2022 to February 18, 2025, through resolution passed by means of Postal Ballot on March 30, 2022.

## BOARD MEETINGS

During the Financial Year 2021–22, your Bank had 16 Board Meetings as detailed below:

28.04.2021	08.05.2021	08.06.2021	05.07.2021	22.07.2021	22.09.2021	25.10.2021	17.12.2021
27.12.2021	08.01.2022	21.01.2022	24.02.2022	08.03.2022	24.03.2022	28.03.2022	29.03.2022

## DIRECTORSHIP DETAILS OF THE DIRECTORS IN THE LISTED ENTITIES AS ON MARCH 31, 2022

Sl. No.	Name of the Director	Names of the Listed Entities in which he/she is Director including the Bank	Category Directorships
1	Mr. Madhavan Aravamuthan	1. CSB Bank Limited	Independent Director
2	Mr. C. VR. Rajendran	1. CSB Bank Limited	Managing Director & CEO
3	Mr. Pralay Mondal	1. CSB Bank Limited	Deputy Managing Director
4	Mr. Madhavan Menon	1. CSB Bank Limited 2. Thomas Cook (India) Limited	Non-Executive Director Managing Director
5	Mr. Sumit Maheshwari	1. CSB Bank Limited 2. Fairchem Organics Limited 3. Thomas Cook (India) Limited	Non-Executive Director Nominee Director Director
6	Ms. Bhama Krishnamurthy	1. CSB Bank Limited 2. Reliance Industrial Infrastructure Limited 3. Network18 Media & Investments Limited 4. Cholamandalam Investment and Finance Company Limited 5. Thirumalai Chemicals Limited	Independent Director Independent Director Independent Director Independent Director Independent Director
7	Ms. Sharmila Abhay Karve	1. CSB Bank Limited 2. Syngene International Limited 3. EPL Limited 4. Thomas Cook (India) Limited	Independent Director Independent Director Independent Director Independent Director
8	Mr. Sudhin Choksey	1. CSB Bank Limited 2. Fairchem Organic Limited	Independent Director Independent Director
9	Mr. Sunil Srivastav	1. CSB Bank Limited 2. SIS Limited 3. Star Paper Mills Limited	Independent Director Independent Director Independent Director
10	Mr. Sharad Kumar Saxena	1. CSB Bank Limited	Independent Director

## COMMITTEE MEMBERSHIP AND CHAIRPERSONSHIP DETAILS OF THE DIRECTORS IN THE LISTED ENTITIES AS ON MARCH 31, 2022

Sl. No.	Name of the Director	No. of other Directorships in Public Limited Companies including the Bank	No. of Committee Memberships		No. of Committee Chairpersonship	
			ACB	SRC	ACB	SRC
1	Mr. Madhavan Aravamuthan	1	0	0	0	0
2	Mr. C. VR. Rajendran	1	1	1	0	0
3	Mr. Pralay Mondal	1	0	0	0	0
4	Mr. Madhavan Menon	5	2	1	0	1
5	Mr. Sumit Maheshwari	8	3	0	0	0
6	Ms. Bhama Krishnamurthy	9	8	0	1	0
7	Ms. Sharmila Abhay Karve	6	6	2	3	1
8	Mr. Sudhin Choksey	3	0	2	0	0
9	Mr. Sunil Srivastav	5	2	2	1	1
10	Mr. Sharad Kumar Saxena	1	1	0	0	0

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



## AFFIRMATION

Affirmation in terms of Regulations 17A and 26 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as under:

- 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 including public companies 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 Director in any other listed company.

## BOARD PROCEDURE

The Board functions as the governing body, evaluates its operational, strategic, financial performances and provides strategic and corrective directions, effectiveness of the Bank's management policies, risks and opportunities as well as its conduct. Board exercise their powers, duties and responsibilities as envisaged in line with the Banking Regulation Act, 1949, the extant guidelines issued by RBI from time to time, the Companies Act, 2013 and rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Bank and all other applicable laws and in accordance with the best corporate governance practices by clearly setting out the policy guidelines within which they expect the management to operate through clearly defined processes to get the desired results. 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 venue 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, information technology, audit 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 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.

Due to the outbreak of COVID-19, to adhere to the social distancing norms and the restriction on travel/ physical movements, video conferencing facility is used effectively to facilitate participation of Directors, who are unable to attend the meetings in person, complying with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board and Committees also pass 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 timelines prescribed under the Companies Act, 2013 and other regulatory guidelines. The Bank has in place, a post meeting follow-up procedure, which tracks 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 Listing Regulations and as per the extant guidelines issued by the Bank, is placed to the Board and various committees for review and for rectifying instances of non-compliance, if any.

## REMUNERATION OF THE DIRECTORS

### 1. 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. Mr. Madhavan Aravamuthan was re-appointed as Non-Executive Independent Director of the Bank, not liable to retire by rotation, for the second term, at the Annual General Meeting of the Bank held on August 12, 2021, for a period of three consecutive years with effect from June 29, 2022 to June 28, 2025.

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 shareholders of the Bank.

Details of remuneration paid to Mr. Madhavan Aravamuthan, Part-time Chairman for the financial year 2021-22 are given below:

Name of the Chairman	Total Remuneration paid for the period from 01.04.2021 to 31.03.2022		Total
	Honorarium	Sitting fee	
Mr. Madhavan Aravamuthan	18,00,000	18,25,000	36,25,000

## 2. Managing Director & CEO

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

Mr. C.VR. Rajendran, Managing Director & CEO, took early retirement from the position, after office hours on March 31, 2022 on health ground, as mutually agreed by the Board in their meeting held on January 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 and the service contract executed with him in this connection.

Pursuant to the approval of Reserve Bank of India, received on November 24, 2021 in terms of Section 35B of the Banking Regulation Act, 1949, the fixed pay and perquisites of Mr. C.VR. Rajendran was increased from ₹2,00,00,000 p.a., to ₹ 2,10,00,000 p.a., with effect from April 1, 2020.

The Bank, on November 24, 2021, received approval of Reserve Bank of India in terms of Section 35B of the Banking Regulation Act, 1949 for grant/ payment of variable pay of ₹3,67,50,000/-, out of which

₹ 2,45,00,000/- shall be in non-cash form (stock options) and balance in the form of cash bonus, for the performance period FY 2020-21 to Mr. C. VR. Rajendran, Managing Director & CEO, which is subject to malus/claw back arrangements for the deferral payments. Accordingly, the Nomination & Remuneration Committee of the Board in line with the approval of Reserve Bank of India dated November 24, 2021, granted 3,28,286 stock options @ ₹ 261.65 per option at market price, on December 17, 2021 to Mr. C. VR. Rajendran, Managing Director & CEO of the Bank as performance grant for the FY 2020-21 under CSB Employee Stock Option Scheme 2019. The vesting schedule of the said granted Options has been deferred over a period of 3 (three) years from the date of Grant and the same are to be exercised within a period of 3 (three) months from the date of each vesting.

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 amended in the financial year 2021-22 on December 17, 2021 to incorporate the revision in the fixed pay and perquisites with effect from April 1, 2020, payment of variable pay for the FY 2020- 21 including grant of 3,28,286 stock options @ ₹261.65/- per option, made on December 17, 2021 to him. The Service contract was further amended in the same financial year on February 24, 2022 in the context of his decision to take early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

The proposal of the Bank to grant additional 13,53,250 stock options to Mr. C.VR. Rajendran, Managing Director & CEO at an exercise price of ₹ 75 per options for the period from December 9, 2016 and up to March 31, 2020 was not acceded to by Reserve Bank of India.

Details of remuneration paid to Mr. C.VR. Rajendran, Managing Director & CEO for the financial year 2021-22 are given below:

Name of the Managing Director & CEO	Fixed Pay	Variable Pay		Total	Non-Cash Component
		Cash Component			
		Upfront	Deferred		
Mr. C.VR. Rajendran	2,08,25,113	61,25,000	15,33,333	2,84,83,446	3,28,286 stock options @ ₹ 261.65 per option*

\*Pursuant to the approval of Reserve Bank of India, Nomination and Remuneration Committee of the Board on December 17, 2021, granted 3,28,286 stock options @ ₹ 261.65 per option which was at market price, to Mr. C. VR. Rajendran, Managing Director & CEO of the Bank as performance grant for the FY 2020-21 under CSB Employee Stock Option Scheme 2019.

Bank on May 30, 2022, received approval of Reserve Bank of India in terms of Section 35B of the Banking Regulation Act, 1949 for payment of variable pay of ₹ 2,10,00,000/- all in the form of cash to Mr. C.VR. Rajendran for the financial year 2021-22 subject to 40% (Rs.84,00,000/-) of the pay being paid upfront and rest ₹1,26,00,000/- (60%) being deferred over a period of three years from the date of upfront payment.

### 3. Deputy Managing Director

Mr. Pralay Mondal was appointed as the Deputy Managing Director of the Bank with effect from February 17, 2022, pursuant to the approval received from Reserve Bank of India on the same date. His prior appointment in the Bank was as President (Retail, SME, Operations and IT) of the Bank since September 23, 2020.

Remuneration paid to Mr. Pralay Mondal in the financial year 2021-22 and disclosed below is in the capacity as 'President – Retail, SME, Technology and Operations' and approval of RBI is awaited on the terms and conditions of his appointment including remuneration as Deputy Managing Director with effect from February 17, 2022.

Name of the Deputy Managing Director	Fixed pay and Perquisites	Variable Pay	Total	Non-Cash Component
Mr. Pralay Mondal	2,60,00,004	1,10,00,000	3,70,00,004	2,50,000 stock options that carry an exercise price of ₹ 10/- per option*

\*2,50,000 stock options were granted @ ₹ 10/- per option (at face value) on April 28, 2021 under CSB Employee Stock Option Scheme 2019.

### 4. Non-Executive Directors

Non-Executive Independent Directors were paid sitting fees at ₹ 75,000/- for attending the Board Meeting and ₹45,000/- for attending Management Committee, Audit Committee and Risk Management Committee Meetings and ₹ 20,000/- for attending rest of the Committee Meetings with effect from July 6, 2021. Prior to that, 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.

No remuneration/ sitting fee was paid during the financial year 2021-22 to the Non-executive, Non-Independent Directors on the Board of the Bank for attending the Board and committee meetings.

The Bank did not pay any amount to directors by way of salary and perquisites except to the Managing Director & CEO/Whole time Directors. 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 and shareholders of the Bank.

During the year under review, there were no other pecuniary relationships or transactions of Non-Executive Directors and Non-Executive Independent Directors vis-à-vis the Bank except normal banking transactions, payment of sitting fees, reimbursement of expenses, if any and related party transactions, if any, which are disclosed in the Report to the extent as required.

The criteria of making payments to Non-Executive Directors and Non-Executive Independent Directors, is displayed on the website of the Bank <https://www.csb.co.in/pdf/Remuneration-criteria-for-Non-Executive-or-Independent-Directors-27042022-.pdf>

Details of remuneration/sitting fee paid to Non-Executive Directors for attending Board and Committee Meetings for the fiscal 2021-22 are given below:

Name of the Directors		Amount
Mr. Madhavan Aravamuthan <sup>^</sup>	Part-time Chairman	18,25,000
Mr. Madhavan Menon*	Non-Executive Directors	NIL
Mr. Sumit Maheshwari*		NIL
Ms. Bhama Krishnamurthy		22,20,000
Ms. Sharmila Abhay Karve	Non-Executive Independent Directors	16,10,000
Mr. Sudhin Choksey		18,20,000
Mr. Sunil Srivastava		16,70,000
Mr. Sharad Kumar Saxena		4,85,000

<sup>^</sup> Excluding the remuneration, honorarium amounting ₹18,00,000 was paid to Mr. Madhavan Aravamuthan in the capacity as Part-time Chairman of the Bank.

\*No remuneration/sitting fee was paid to the Non-Executive Non-Independent Directors.

## SHAREHOLDING OF DIRECTORS

Except Mr. Madhavan Menon and Mr. Sudhin Choksey, no other directors of the Bank hold shares of the Bank and the details of their shareholding in the Bank as on March 31, 2022 are given below:

Sl No.	Name of the Director	No. of shares	Percentage of holding
1	Mr.Madhavan Karunakaran Menon	9897	0.0057 %
2	Mr. Sudhin Choksey	7521	0.0043 %

## 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.

For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may; Use the services of external agencies, if required; Consider candidates from a wide range of backgrounds, having due regard to diversity; and Consider the time commitments of the candidates.

## TERMS AND CONDITIONS FOR APPOINTMENT OF INDEPENDENT DIRECTORS

Appointment of Independent Directors and terms and conditions of the appointment shall be governed by the provisions of the Companies Act, 2013, the rules made thereunder, Listing Regulations from time to time, 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 covering the terms and conditions of the 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](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. They have also confirmed in terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 their 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 fulfils 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 had 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.

Board is of the opinion that Independent Directors appointed since the date of last report and up to the date of the report are persons of integrity, and possess the necessary skills, knowledge, experience and expertise and have 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 for being appointed as an Independent Director of the Bank.

## FAMILIARIZATION PROGRAMME FOR INDEPENDENT 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.

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. Along with the letter of appointment, a welcome kit containing the brief history of the Bank, Memorandum and Articles of Association, Copy of Code of Conduct to Directors and Senior Management, criteria of Independence applicable to Independent Directors, deed of covenant, Do's and Don'ts for the Directors of the Bank as per Reserve Bank of India Circular, Copy of Internal Code of Conduct for Prevention of Insider Trading, Copy of Internal Code of Conduct for dealing in securities of other Listed or to be Listed entities, Copy of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Copy of the Audited Accounts for that FY, Asset and Liability Products of the Bank in brief, Copy of Credit Policy of the Bank are provided to every Director inducted on the Board.

Pursuant to the Listing Regulations, your Bank is required to impart familiarisation programme for Independent Directors of the Bank every year. Various training programme including IT and Cyber Security were also extended to all the directors of the Bank.

The details of familiarisation programmes arranged in the FY 2022 are available in the website of the Bank at the link <https://www.csb.co.in/pdf/familiarisation-programmes02082022.pdf>

## SUCCESSION PLANNING

Succession planning policy of the Bank aims to identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives. The policy also ensures the systematic and long-term development of individuals in the senior management level to replace whenever a need arises due to deaths, disabilities, retirements or any other unexpected occurrence.

Succession planning at the Bank includes the identification of Board, Key Management positions, Senior Managerial personnel and other specialized areas/functions which

are critical for the Bank's business continuity, operations and growth. Succession planning at the Bank ensures that the Bank is prepared with a plan to support operations and business continuity and ensures the building up and nurturing of 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 personnel 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 NRC periodically reviews and considers the list of senior managerial personnel due for retirement/attrition within the year. The Committee shall also consider the new vacancies that may arise out of business needs/up-gradation of Department(s)/ Regional Office(s). Considering the above, the Committee shall assess the availability of suitable candidates for the Bank's future growth and development. The Committee is guided by Succession Planning Policy which involve assessing the likely gap in Board/leadership/management, developing the succession planning model, implementation of the plan and continuous evaluation and assessment. The Policy guide to identify the competency requirements of critical and key positions, assess potential candidates and develop required competency through planned development and learning initiatives.

In the event of any unexpected vacancy in the Board at the Executive level, particularly the position of the Managing Director & CEO, which may affect the day-to-day operations/ functioning of the Bank, NRC shall meet and recommend to the Board to entrust Executive Director, if any, or from a select pool of persons in case there is no Executive Director, with such designation as may be assigned, post event, to carry out the said functions on an interim basis, in line with section 10B (9) of the Banking Regulation Act, 1949.

## DIRECTORS AND OFFICERS INSURANCE

Pursuant to the Regulation 25(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Bank had undertaken Directors and Officers insurance ('D & O insurance') for all its Independent Directors, as well as other Directors and such officers, for risks as determined by the Board of Directors of the Bank from time to time.

## BOARD'S COMMITTEES

The Committees of the Board are constituted under the provisions of the Companies Act, 2013, Listing Regulations, the Banking Regulation Act, 1949 and RBI Rules, Circulars & Recommendations, to deal with specific areas / activities as



stipulated therein. These 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.

## MEETING ATTENDANCE SUMMARY OF DIRECTORS FOR FY 2021-22

Sl. No	Name of the Director	MC	RMC	ACB	NPAMC	SRC	CMF	CSC	CSR	NRC	ITSC
<b>Total No. of Meetings held</b>		<b>11</b>	<b>4</b>	<b>11</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>17</b>	<b>4</b>
1	Mr. Madhavan Aravamuthan	NM	4	4	3	NM	NM	NM	NM	17	4
2	Mr. C.VR. Rajendran	11	4	NM	3	4	4	4	3	NM	4
					SI						
3	Mr. Pralay Mondal	NM	NM	NM	NM	NM	NM	NM	NM	NM	NM
4	Mr. Madhavan Menon	NM	4	11	3	4	1	1	1	17	1
5	Mr. Sumit Maheshwari	11	1	NM	NM	NM	4	4	3	4	4
6	Ms. Bhamu Krishnamurthy	3	4	7	NM	1	3	NM	2	17	NM
7	Ms. Sharmila Abhay Karve	NM	NM	11	3	NM	4	1	NM	NM	NM
8	Mr. Sudhin Choksey	11	3	NM	NM	4	4	NM	3	NM	NM
9	Mr. Sunil Srivastav	8	NM	NM	NM	NM	3	3	NM	NM	3
10	Mr. Sharad Kumar Saxena	NM	NM	2	NM	NM	NM	NM	NM	NM	NM

NM Not a Member

SI Special Invitee

 Chairpersonship of the Committee as at 31.03.2022

## 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 February 21, 2022.

### 1. The objectives and Key Functions:

- 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;
- Oversight of the integrity of the Bank's financial statements;
- 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;
- Oversight of auditing processes of the Bank, both internal and external and independence of the audit function in the Bank;
- Oversight of the performance of the Bank's independent auditor, internal audit and compliance functions;

- Oversight of the Bank's compliances with legal and regulatory requirements.

### 2. Duties and responsibilities

- 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:
  - 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;
  - changes, if any, in accounting policies and practices, and reasons for the same;
  - management letters/letters of internal control weaknesses issued by the statutory auditors/ internal auditors of the Bank;
  - 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;
  - (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.
- 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;
  - 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) To define the term "material modifications" and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions;
  - j) Scrutiny of inter-corporate loans and investments;

- k) Valuation of undertakings or assets of the company, wherever it is necessary;
- l) Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee;
- m) To review Management discussion and analysis of financial condition and results of operations.

#### 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
Ms. Sharmila Abhay Karve, Chairperson	11	11
Mr. Madhavan Menon	11	11
Ms. Bhama Krishnamurthy*	7	7
Mr. Madhavan Aravamuthan^	4	4
Mr. Syed Nagoor Ali Jinnah#	N.A	N.A
Mr. Sharad Kumar Saxena\$	2	2

\* appointed as a member of the Committee w.e.f July 6, 2021.

^ ceased to be a member of the Committee w.e.f July 6, 2021.

# ceased to be a member of the Committee w.e.f April 19, 2021 due to resignation.

\$ appointed as a member of the Committee w.e.f February 21, 2022.

The Company Secretary acts as the Secretary to the Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Bank held on August 12, 2021.

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 11 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:

28.04.2021	08.05.2021	08.06.2021	05.07.2021	22.07.2021	24.03.2022
14.09.2021	25.10.2021	17.12.2021	21.01.2022	24.02.2022	

## Management Committee

### Terms of reference

#### a) 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.

#### b) 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.

#### c) 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
Mr. Sunil Srivastav, Chairman*	8	8
Mr. C. VR. Rajendran <sup>§</sup>	11	11
Mr. Sumit Maheshwari	11	11
Mr. Sudhin Choksey	11	11
Ms. Bhama Krishnamurthy <sup>^</sup>	3	3

\* Inducted as a Member and appointed as the Chairman of the Committee w.e.f July 6, 2021.

<sup>§</sup> Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

<sup>^</sup> Ceased to be the Chairperson and member of the Committee w.e.f July 6, 2021.

The Committee met 11 times during the financial year 2021–22 and the dates of the meetings are as under:

28.04.2021	08.06.2021	05.07.2021	26.08.2021	14.09.2021	23.03.2022
10.11.2021	14.12.2021	20.01.2022	08.02.2022	07.03.2022	

## 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 Bank;
- 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. Sudhin Choksey, Chairman*	3	3
Mr. C. VR. Rajendran <sup>§</sup>	4	4
Ms. Bhama Krishnamurthy	4	4
Mr. Madhavan Menon	4	4
Mr. Madhavan Aravamuthan	4	4
Mr. Sumit Maheshwari <sup>^</sup>	1	1

\* Inducted as a member and appointed as the Chairman of the Committee w.e.f July 6, 2021.

<sup>§</sup> Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

<sup>^</sup> Ceased to be the Chairman and member of the Committee w.e.f July 6, 2021.

The Committee met 4 times during the financial year 2021-22 and the dates of the meetings are as under:

30.06.2021	30.08.2021	26.11.2021	23.03.2022
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## NPA Management Committee

### Terms of reference

To lay added thrust 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	3	3
Mr. Madhavan Menon	3	3
Ms. Sharmila Abhay Karve	3	3
Mr. C. VR Rajendran (Special Invitee) <sup>§</sup>	3	3

<sup>§</sup> Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

The Committee met 3 times during the financial year 2021-22 and the dates of the meetings are as under:

30.06.2021	26.11.2021	23.03.2022
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## Stakeholders Relationship Committee

### Terms of reference

- Resolving the grievances of the security holders of the Bank 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.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the registrar and share transfer agent;
- Review of the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Bank;
- Issue and allotment of 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;
- To transfer, transposition and transmission of securities;
- To consider and approve, split, consolidation and duplication of shares or other securities;
- 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. Madhavan Menon, Chairman*	4	4
Mr. C. VR. Rajendran <sup>§</sup>	4	4
Mr. Sudhin Choksey <sup>^</sup>	4	4
Ms. Bhama Krishnamurthy <sup>#</sup>	1	1
Mr. Syed Nagoor Ali Jinnah <sup>®</sup>	0	0

\* Appointed as the Chairman of the Committee w.e.f July 6, 2021.

<sup>§</sup> Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

<sup>^</sup> Appointed as a member and Chairman of the Committee w.e.f April 24, 2021 and Ceased to be the Chairman w.e.f July 6, 2021, but continued as a member.

<sup>#</sup> Ceased to be a member of the Committee w.e.f July 6, 2021.

<sup>®</sup> Ceased to be the Chairman and member of the Committee w.e.f April 19, 2021 due to resignation.

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

The Committee met 4 times during the financial year 2021–22 and the dates of the meetings are as under:

30.06.2021	14.09.2021	26.11.2021	08.02.2022
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## SEBI Investor Complaints Redressal System (SCORES)

SCORES platform of SEBI facilitates online filing of investor grievance/ complaints and online view of the status of the same. The Bank endeavours to redress the grievance/ complaints of the Investors within the prescribed time frame, from the date of lodgement of complaint in SCORES platform. The details of each grievance /complaint (category wise) received and redressed are furnished to the Stakeholders Relationship Committee of the Board (SRC) and to the Board on a quarterly basis.

## Status of the investor complaints

Status of the Investor complaints received during the period from April 1, 2021 and up to March 31, 2022 are given under:

Number of Investor Complaints including through SEBI SCORES platform received during the period 01.04.2021 to 31.03.2022	No. of Complaints
Investor complaints pending as on 01.04.2021	Nil
Investor complaints received during the period	
1. Investor complaints pertaining to Initial Public Offering of the shares of the Bank	NIL
2. Investor complaints received through SEBI SCORES Platform of the Bank	NIL
3. Other Investor complaints received*	1
Total number of complaints disposed off	1
Complaints pending as on 31.03.2022	NIL

\*Investor complaint received through SEBI Scores platform of Bank's Registrar and Share Transfer Agent

## 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 frauds 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 Committee are to;

- Identify the systemic lacunae, if any, that facilitated perpetration of the fraud and put in place measures to plug the same.
- Identify the reasons for delay, if any, in detection and reporting to top management of the Bank and RBI.
- Monitor progress of CBI/Police Investigation and recovery position.

- 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.
- Review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls.
- Put in place other measures as may be considered relevant to strengthen preventive measures against frauds.
- To monitor and follow up Red Flagged Accounts and Fraud Accounts (Accounts beyond the threshold limit of ₹ 50 crores and above).
- 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 be scheduled 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. Sunil Srivastav, Chairman*	3	3
Mr. C. VR. Rajendran^^	4	4
Mr. Sumit Maheshwari	4	4
Ms. Bhama Krishnamurthy^	3	3
Ms. Sharmila Abhay Karve#	4	4
Mr. Sudhin Choksey@	4	4
Mr. Madhavan Menon §	1	1
Mr. Syed Nagoor Ali Jinnah **	0	0

\* Inducted as a Member and appointed as Chairman of the Committee w.e.f July 6, 2021.

^^ Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

^ Appointed as a member of the Committee w.e.f July 6, 2021.

# Appointed as the Chairperson of the Committee w.e.f April 29, 2021 and ceased to be the Chairperson w.e.f July 6, 2021, but continued as a member.

@ Appointed as a member of the Committee w.e.f April 29, 2021.

§ Ceased to be a member of the Committee w.e.f July 6, 2021.

\*\* Ceased to be the Chairman and member of the Committee w.e.f April 19, 2021 due to resignation.

The Committee met 4 times during the financial year 2021-22 and the dates of the meetings are as under:

30.06.2021	30.08.2021	26.11.2021	08.02.2022
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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
Mr. Sunil Srivastav, Chairman*	3	3
Mr. C. VR. Rajendran^^	4	4
Mr. Sumit Maheshwari	4	4
Ms. Sharmila Abhay Karve^	1	1
Mr. Madhavan Menon#	1	1

\* Inducted as a Member and appointed as Chairman of the Committee w.e.f July 6, 2021.

^^ Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

^ ceased to be a member and Chairperson of the Committee w.e.f July 6, 2021.

# ceased to be a member of the Committee w.e.f July 6, 2021.

The Committee met 4 times during the financial year 2021-22 and the dates of the meetings are as under:

30.06.2021	30.08.2021	10.11.2021	08.02.2022
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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`

- 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.

- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a).
- Monitor the corporate social responsibility policy of the Bank from time to time.
- Formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -
  - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
  - the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
  - the modalities of utilisation of funds and implementation schedules for the projects or programmes;
  - monitoring and reporting mechanism for the projects or programmes; and
  - details of need and impact assessment, if any, for the projects undertaken by the Bank provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.
- Make decisions on responsible business conduct and sustainability related issues.

### Composition

Name of the Director	No. of meetings held during the tenure	Meetings attended
Ms. Bhama Krishnamurthy, Chairperson*	2	2
Mr. C. VR. Rajendran**	3	3
Mr. Sumit Maheshwari	3	3
Mr. Sudhin Choksey ^	3	3
Mr. Madhavan Menon #	1	1
Mr. Syed Nagoor Ali Jinnah@	0	0

\* Inducted as a Member and appointed as Chairperson of the Committee w.e.f July 6, 2021.

\*\* Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

^ Appointed as a member and Chairman of the Committee w.e.f April 29, 2021 and ceased to be the Chairman w.e.f July 6, 2021, but continued as a member.

# Ceased to a member of the Committee w.e.f July 6, 2021.

@ Ceased to be the Chairman and member of the Committee w.e.f April 19, 2021 due to resignation.

The Committee met 3 times during the financial year 2021-22 and the dates of the meetings are as under:

30.06.2021	26.11.2021	23.03.2022
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## 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 on 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;
- l. To review the compensation structure/policy on a periodical basis;
- 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
- ii. To conduct annual review of their performance and to revise their compensation structure in tandem with their performance/target achieved.
- 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;
- n. Any other matters regarding compensation structure as and when permitted by the Board;
- o. To fulfil such other powers and duties as may be delegated to it by the Board;
- p. Specify the manner for effective evaluation of performance of Board, its committees and individual directors;
- 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;
- 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
- 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.

### Composition

Name of the Director	No. of meetings held during the tenure	Meetings attended
Ms. Bhama Krishnamurthy, Chairperson	17	17
Mr. Madhavan Menon	17	17
Mr. Madhavan Aravamuthan	17	17
Mr. Sumit Maheshwari*	4	4

\* Ceased to a member of the Committee w.e.f July 6, 2021.

The Committee met 17 times during the financial year 2021-22 and the dates of the meetings are as under:

28.04.2021	08.05.2021	08.06.2021	05.07.2021	30.08.2021	22.09.2021	17.12.2021 (1)
17.12.2021 (2)	08.01.2022	21.01.2022	18.02.2022	24.02.2022	08.03.2022	22.03.2022
24.03.2022			28.03.2022		29.03.2022	

## 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 14<sup>th</sup> 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:

- Perform oversight functions over the IT Steering Committee (at a senior management level).
- Investigate activities within this scope.
- Seek Information from any employee.
- Obtain outside legal or professional advice.
- Secure attendance of outsiders with relevant expertise, if it considers necessary.
- Work in partnership with other Board Committees and Senior Management to provide input, review and amend the aligned corporate and IT strategies.
- Approving IT strategy and policy documents.
- Ensuring that the management has put an effective strategic planning process in place.
- Ratify that the business strategy is indeed aligned with IT strategy.
- Ensuring that the IT organizational structure complements the business model and its direction.
- Ascertaining that management has implemented process and practices that ensure that the IT delivers value to the business.
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.
- 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.
- Ensuring proper balance of IT investments for sustaining Bank's growth.
- Becoming aware about exposure towards IT risks and controls, and evaluating effectiveness of management's monitoring of IT risks.
- Assessing Senior Management's performance in implementing IT strategies.
- Issuing high-level policy guidance (e.g. related to risk, funding, or sourcing tasks).

- Confirming whether IT or business architecture is to be designed, so as to derive the maximum business value from IT.
- 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	4	4
Mr. C. VR. Rajendran <sup>^</sup>	4	4
Mr. Sunil Srivastav <sup>*</sup>	3	3
Mr. Sumit Maheshwari	4	4
Mr. Madhavan Menon <sup>#</sup>	1	1

<sup>^</sup> Ceased to be member of the Committee due to early retirement from the position of Managing Director & CEO of the Bank, after office hours on March 31, 2022.

<sup>\*</sup> Appointed as a member of the Committee w.e.f July 6, 2021.

<sup>#</sup> Ceased to be a member of the Committee w.e.f July 6, 2021.

The Committee met 4 times during the financial year 2021–22 and the dates of the meetings are as under:

08.06.2021	30.08.2021	14.12.2021	24.02.2022
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## MD Search Committee

Board, vide resolution dated January 8, 2022 constituted the MD Search Committee to identify a suitable successor to Mr. C.VR. Rajendran, the Ex. Managing Director & CEO, who took early retirement from service, from the close of office hours on March 31, 2022.

### Terms of reference:

- To identify, evaluate and shortlist candidates, from within or from outside, for the position of Managing Director & CEO;
- To recommend a panel of not less than two suitable names to the Nomination and Remuneration Committee and Board for enabling it to recommend to Reserve Bank of India for appointment of one of them in the order of preference as Managing Director & CEO of the Bank;
- To do all other necessary things, deeds and acts which shall be deemed necessary or incidental thereto in connection with appointment of Managing Director & CEO in the Bank.



## Composition

Name of the Director	No. of meetings held during the tenure	Meetings attended
Ms. Bhama Krishnamurthy, Chairperson	5	5
Mr. Madhavan Menon	5	5
Mr. Sunil Srivastav	5	5

The Committee ceased to be in existence post submission of panel of names to the NRC on March 08, 2022.

The Committee met 5 times during the financial year 2021-22 and the dates of the meetings are as under:

13.01.2022	17.01.2022	07.02.2022	18.02.2022	07.03.2022
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## MEETING OF THE INDEPENDENT DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance of Non-Independent Directors and the Board as a whole is to be evaluated by the Independent Directors.

<b>Terms of Reference</b>	<ul style="list-style-type: none"> <li>a. Review the performance of Non-Independent Directors and the Board as a whole;</li> <li>b. Review the performance of the Chairperson of the Bank, taking into account the views of Executive Directors and Non-Executive Directors;</li> <li>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.</li> </ul>
<b>Meeting of Independent Directors for the financial year</b>	A Meeting of the Independent Directors of the year was held on March 30, 2022, 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, Executive Directors, Committees of the Board and the Board as a whole. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

EVALUATION PROCESS	
<b>Process for performance evaluation</b>	<ul style="list-style-type: none"> <li>a) Independent Directors evaluate the performance of Non-Independent Directors including Chairman of the Bank and the Board as a whole.</li> <li>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.</li> <li>c) The Board evaluates the performance of Board level Committees.</li> <li>d) The Nomination and Remuneration Committee shall specify the manner for effective evaluation of performance of Board, its Committees and individual directors.</li> </ul>
CRITERIA FOR PERFORMANCE EVALUATION:	
<b>Performance Evaluation of Chairman</b>	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.

<b>Performance Evaluation of Whole-time Directors</b>	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, Adequacy of preparation for the meetings, Integrity, Personal Qualities & Behaviour and seeking opportunities for self-development.
<b>Performance Evaluation of Independent Directors</b>	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.
<b>Performance Evaluation of Non-Executive Directors</b>	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.
<b>Performance Evaluation of Board</b>	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 Bank's operations; Deliberations/ decisions on the Bank'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.
<b>Performance Evaluation of the Board Level Committees</b>	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 excellent.

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

The Board of Directors of the Bank on the recommendation of the Nomination & Remuneration Committee, has adopted 'Nomination Policy' for appointment of Part-time Chairman, Managing Director & CEO, Directors (Executive and Non-Executive Directors), Key Managerial Personnel and Senior Management team in the Bank and the same is displayed on the website of the Bank at: <https://www.csb.co.in/pdf/NominationPolicy.pdf>

As per the Policy, the Nomination & Remuneration Committee decides/ recommends on the Directors' / KMPs' and Senior Management team's 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 and Board and its Committees- Policy document on corporate governance, principles and procedures. Nomination and Remuneration Committee formulated the criteria for determining qualifications, positive attributes and independence of a Director to adhere with 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

1. Subject to the extant 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 and Nomination policy of the Bank, the Nomination & Remuneration Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Part-time

- Chairman, Managing Director & CEO, Whole-time Directors, Non-Executive Directors, Non-Executive independent directors and recommend to the Board his / her appointment.
2. The Committee, while considering nomination/co-option of the Directors, should be guided by certain broad 'fit and proper' norms for Directors, viz. formal qualification, experience, track record, integrity, etc. For assessing integrity and suitability, features like criminal records, financial position, civil actions initiated to or re-expulsion from professional bodies, sanctions applied by regulators or similar bodies, previous questionable business practices, etc. should be considered. The Committee has, therefore, evolved appropriate systems for ensuring 'fit and proper' norms for directors, which includes calling for information by way of self-declaration, verification reports from market, etc.
  3. A person should possess adequate educational qualification, knowledge and skills, competence, expertise and experience, track record, integrity and judgement for performing the duties and responsibilities for the position he / she is considered for appointment/re-appointment. The Nomination & Remuneration Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
  4. The appointee shall possess special knowledge or practical experience in Banking, Accountancy, Agriculture and Rural Economy, Co-operation, Economics, Finance, Information Technology, Law, Small-Scale Industry, Payment & Settlement Systems, Human Resources, Risk Management and Business Management or any other field useful to the Banking Company in the opinion of Reserve Bank of India, from time to time.
  5. The prior experience of the candidate shall be suitable to the present and/or potential future needs and the requirements of the Bank vis-à-vis its stature and complexity of its operations.
  6. 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.
  7. The Bank shall not appoint or re-appoint any person as Non-Executive Director if he/she has attained the age of seventy-five years.
  8. 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.
  9. Subject to the statutory approvals required from time to time, the post of the MD&CEO or WTD cannot be held by the same incumbent for more than 15 years. Thereafter, the individual will be eligible for re-appointment as MD&CEO or WTD in the Bank, if considered necessary and desirable by the Board, after a minimum gap of three years, subject to meeting other conditions. During this three-year cooling period, the individual shall not be appointed or associated with the Bank or its group entities in any capacity, either directly or indirectly.
  10. The total tenure of Non-Executive Independent Directors shall not be for more than a period of two terms of maximum 4 (Four) years each.
  11. The total tenure of a Non-Executive Director, continuously or otherwise, on the Board of the Bank, shall not exceed eight years. Subject to Section 152 of the Companies Act, 2013, regarding retirement by rotation, the total tenure of Non-Executive Director(s) continuously or otherwise, on the Board of the Bank shall not exceed eight years. Post completion of the eight years' term, Non-Executive Director(s) may be considered for re-appointment only after a minimum gap of three years' cooling period. This will not preclude him/her from being appointed as a director in another Bank subject to meeting the requirements.
  12. The candidate should normally be a graduate (which can be relaxed while selecting directors for the categories of farmers, depositors, artisans, etc.).
  13. He / she should not be a Member of Parliament / Member of Legislative Assembly / Member of Legislative Council.
  14. He / she should not be a Director in any other Bank.
  15. Any other factors as the Nomination & Remuneration 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](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, 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

Compensation Policy of the Bank 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 the 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 / Material Risk Takers and Control Function Staff."

The objectives of the compensation 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 the provisions 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 which is at least 50 % of the total pay and up to 300 % of the fixed pay 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 as per the policy.
- Approval from Reserve Bank of India is to be obtained to decide compensation for MD & CEO/ WTDs. 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.

- Grant of share-linked instruments is subject to Malus Arrangement and Clawback arrangement.

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

#### **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 Non-Executive Directors are entitled for payment of compensation in the form of a fixed remuneration commensurate with an individual director's responsibilities and demands on time and which are considered sufficient to attract qualified competent individuals. However, such fixed remuneration for a Non-Executive Director, other than the Chair of the Board, shall not exceed ₹20 lakh per annum.

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

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

The remuneration of all Key Managerial 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 (ESOS) instruments as per eligibility and Bank's policy. Non-cash portion of the variable pay (ESOS) shall be granted to eligible employees and shall be governed as defined in the Bank's ESOS 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 (ESOS) instruments as per eligibility and Bank's policy. Non-cash portion of the variable pay (ESOS) shall be granted to eligible

employees and shall be governed as defined in the Bank's ESOS 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 10<sup>th</sup> bipartite settlement / 7<sup>th</sup> 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 ESOS 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. Grant of stock option is subject to Malus Arrangement and Clawback arrangement.

Details of Remuneration paid to the Directors and Key Managerial Personnel during the financial year ended 31.03.2022 are given in the MGT-7 forms part of the Report.

## 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
98 <sup>th</sup> AGM	Saturday, 29 <sup>th</sup> June 2019 at 10.00 a.m.	Kousthubham Auditorium, Shoranur Road, Thrissur – 680 001	Nil
99 <sup>th</sup> AGM	Monday, 20 <sup>th</sup> July, 2020 at 11:00 a.m.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") mode	<ul style="list-style-type: none"> <li>To increase the limit of borrowing powers of the Board to ₹ 5,000 crores from the existing limit of ₹ 1,000 crores.</li> <li>Alteration of Articles of Association of the Bank.</li> <li>Ratification of 'CSB Employee Stock Option Scheme 2019'.</li> <li>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.</li> <li>Approval for secondary acquisition of 86,72,791 shares through Trust route for the implementation of CSB Employee Stock Option Scheme 2019 as amended.</li> <li>Grant of 34,70,000 stock options to Mr. C. VR. Rajendran, Managing Director and CEO of the Bank.</li> </ul>
100 <sup>th</sup> AGM	Thursday, 12 <sup>th</sup> August, 2021 at 11:00 a.m.	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") mode	<ul style="list-style-type: none"> <li>Reappointment of Mr. Madhavan Aravamuthan (DIN: 01865555) as Non -Executive Independent Director of the Bank.</li> <li>Reappointment of Ms. Bhama Krishnamurthy (DIN: 02196839) as Non-Executive Independent Director of the Bank.</li> <li>Approve amendment in 'CSB Employee Stock Option Scheme 2019'</li> </ul>
(b)	Whether any special resolution passed last year through postal ballot		<p>Yes.</p> <p>The following special resolutions were passed by postal ballot on March 30, 2022, pursuant to section 110 of the Companies Act, 2013:</p> <ul style="list-style-type: none"> <li>(i) Appointment of Mr. Sharad Kumar Saxena (DIN: 08238872) as Non-Executive Independent Director of the Bank.</li> <li>(ii) Continued vesting of the stock options (constituting the variable pay - noncash instrument) that were earlier granted on March 30, 2021, for the period from December 09, 2016 to March 31, 2020 and on December 17, 2021 for the financial year ended March 31, 2021, which had been deferred, to Mr. C.VR. Rajendran, the Managing Director &amp; Chief Executive Officer of the Bank, pursuant to the date of his early retirement.</li> </ul>

## Details of voting pattern.

- (i) Appointment of Mr. Sharad Kumar Saxena (DIN: 08238872) as Non-Executive Independent Director of the Bank.

Manner of voting	No. of votes cast		Total number of shares	% of total number of votes cast	
	In Favour	Against		In Favour	Against
E-Voting	73548679	8267	73556946	99.99%	0.01%
Postal Ballot	NA	NA	NA	NA	NA
<b>Total</b>	<b>73548679</b>	<b>8267</b>	<b>73556946</b>	<b>99.99%</b>	<b>0.01%</b>

- (ii) Continued vesting of the stock options (constituting the variable pay - noncash instrument) that were earlier granted on March 30, 2021, for the period from December 09, 2016 to March 31, 2020 and on December 17, 2021 for the financial year ended March 31, 2021, which had been deferred, to Mr. C.VR. Rajendran, the Managing Director & Chief Executive Officer of the Bank, pursuant to the date of his early retirement.

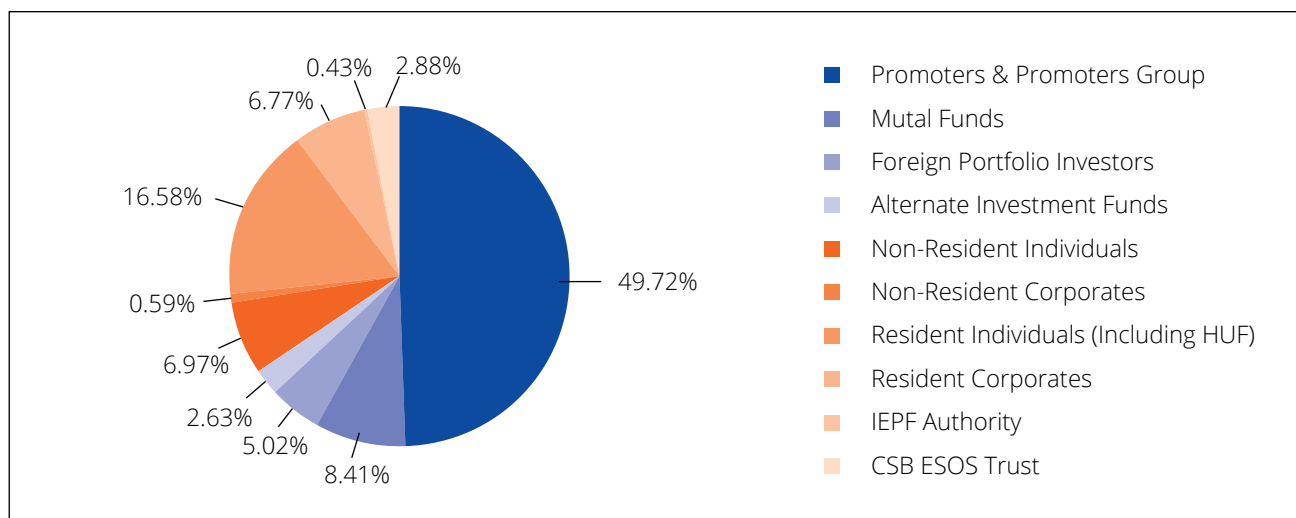
Manner of voting	No. of votes cast		Total number of shares	% of total number of votes cast	
	In Favour	Against		In Favour	Against
E-Voting	73295173	279497	73574670	99.62%	0.38%
Postal Ballot	NA	NA	NA	NA	NA
<b>Total</b>	<b>73295173</b>	<b>279497</b>	<b>73574670</b>	<b>99.62%</b>	<b>0.38%</b>

(c)	Person who conducted the postal ballot exercise.	Mr. Jayan K., FCS, Practicing Company Secretary, Partner, SVJS & Associates, Company Secretaries, 65/2364 A, Ponoth Road, Kaloar, Kochi- 682 017, Kerala Membership No.8154 and Certificate of Practice No.7363
(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.	The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder and read with the General Circular nos. 14/2020, 17/2020, 02/2021, 21/2021 and 2/2022 dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021 and May 05, 2022, respectively issued by the Ministry of Corporate Affairs.
(f)	Whether any extraordinary general meeting held during the financial year 2021-22	No extraordinary general meeting of the members was held during the last financial year.

## SHAREHOLDING PATTERN AS ON MARCH 31, 2022

Shareholding pattern of the Bank as on March 31, 2022 is given below:

Sr. No	Particulars	No. of Shareholders	No. of Shares	% of Shares
1	Promoters & Promoters Group	1	8,62,62,976	49.72
2	Mutual Funds	8	1,45,83,944	8.41
3	Foreign Portfolio Investors	37	87,19,248	5.02
4	Alternate Investment Funds	5	45,65,619	2.63
5	Non-Resident Individuals	735	1,20,84,812	6.97
6	Non-Resident Corporates	2	10,24,374	0.59
7	Resident Individuals (Including HUF)	53,106	2,87,61,401	16.58
8	Resident Corporates	339	1,17,35,681	6.77
9	IEPF Authority	1	7,47,772	0.43
10	CSB ESOS Trust	1	50,00,000	2.88
<b>Total</b>		<b>54,235</b>	<b>17,34,85,827</b>	<b>100</b>



### DETAILS OF SHAREHOLDERS HOLDING SHARES 1% AND ABOVE AS ON MARCH 31, 2022

Sl. No	Name of the Shareholder	No. of Shares	% of holding
1	FIH MAURITIUS INVESTMENTS LTD	86262976	49.7234
2	SBI SMALL CAP FUND*	9144494	5.2710
3	CSB ESOS TRUST	5000000	2.8821
4	PLUTUS WEALTH MANAGEMENT LLP	5000000	2.8821
5	YUSUFFALI MUSALIAM VEETIL ABDUL KADER	3756427	2.1653
6	OMERS ADMINISTRATION CORPORATION	3589800	2.0692
7	NOMURA SINGAPORE LIMITED ODI	3194724	1.8415
8	SUNDARAM MUTUAL FUND A/C SUNDARAM SMALL CAP FUND	2544118	1.4665
9	MAX LIFE INSURANCE CO LTD A/C PARTICIPATING FUND	2295419	1.3231
10	VALLABH BHANSHALI	2185392	1.2597
11	ZAFAR AHMADULLAH	1850100	1.0664
12	VOLRADO VENTURE PARTNERS FUND II	1792198	1.0331
13	SATPAL KHATTAR	1773906	1.0225
14	LAL ARAKULATH SANKAPPA	1756908	1.0127
<b>TOTAL</b>		<b>130146462</b>	<b>75.0186</b>

\*SBI Mutual Fund (SBI Fund Management Private Limited through SBI Mutual Fund and its various schemes) had brought down their overall holding to 4.85% by sale of 7,28,853 on March 31, 2022, in line with Reserve Bank of India Master Direction No.DBR.PSBD.No.56/16.13.100/2015-16 dated November 19, 2015, but the same had not reflected in their shareholding and overall shareholding pattern of the Bank, as the benpos dated March 31, 2022, did not reflect the completed transaction in the context of T+1 settlement system.

### DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2022

Category	No. of Shareholders				No. of Shares			
	Physical	Demat	Total	%	Physical	Demat	Total	%
Up to 5,000	14,853	40,165	55,018	98.46	42,26,518	99,50,540	1,41,77,058	8.17
5,001 to 10,000	59	330	389	0.70	3,93,447	25,03,064	28,96,511	1.67
10,001 to 20,000	24	199	223	0.40	3,22,244	29,75,832	32,98,076	1.90
20,001 to 30,000	8	68	76	0.14	1,98,810	17,10,259	19,09,069	1.10
30,001 to 40,000	2	36	38	0.07	66,666	12,52,663	13,19,329	0.76
40,001 to 50,000	1	22	23	0.04	48,332	10,33,777	10,82,109	0.62
50,001 to 1,00,000	-	39	39	0.07	-	27,74,487	27,74,487	1.60
1,00,001 & Above	-	70	70	0.12	-	14,60,29,188	14,60,29,188	84.18
<b>Total</b>	<b>14,947</b>	<b>40,929</b>	<b>55,876</b>	<b>100.00</b>	<b>52,56,017</b>	<b>16,82,29,810</b>	<b>17,34,85,827</b>	<b>100.00</b>

## DEMATERIALISATION OF SHARES

As on March 31, 2022, 96.97% of Bank's shares were in demat mode as per the statement given below:

(A) STATEMENT BASED ON NUMBER OF SHARES				
Shares in Physical and Demat form as on March 31, 2022:			No. of Shares	Percentage
In Physical Form			5256017	03.03%
In Dematerialized Form:	CDSL	21461543	168229810	96.97%
	NSDL	146768267		
<b>Total</b>			<b>173485827</b>	<b>100.00%</b>

(B) STATEMENT BASED ON NUMBER OF SHAREHOLDERS/FOLIOS				
No. of shareholders whose shares as on March 31, 2022 are in Physical and Demat form:			No. of Folios/ Shareholders	Percentage
In Physical Form			14947	26.75%
In Dematerialized Form:	CDSL	22411	40929	73.25%
	NSDL	18518		
<b>Total</b>			<b>55876</b>	<b>100.00%</b>

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. Further, as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2022, transmission or transposition of securities held in physical form shall be effected only in dematerialised form, with effect from January 24, 2022.

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. The Shareholders of the Bank who have not dematerialized their shares so far may approach any of the Depository Participants (DP) of National Securities Depository Ltd. (NSDL) or Central Depository Services (India) Ltd. (CDSL) for dematerializing their shareholding. The Shareholder is required to fill in a Demat Request Form (DRF) and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the Registrar & Share Transfer Agent of the Bank (RTA). On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

Physical shareholders are also requested to contact the Registered Office of the Bank or RTA of the Bank: M/s. Link Intime India Pvt Ltd., Coimbatore, for further information in this regard.

## 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., is the Registrar & Share Transfer Agent for the Bank's shares. 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.  
Tel: 0487 – 2333020 | Fax: 0487 2338764  
E-mail: investors@csb.co.in

## SHARE TRANSFER SYSTEM

<b>Registrar &amp; Share Transfer Agent</b>	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.
<b>Share Transfer Physical System</b>	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-lodgement 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, an investor is not prohibited 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. Provided further that transmission or transposition of securities held in physical form shall be effected only in dematerialised form, with effect from January 24, 2022, as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB /P/CIR/2022/8 dated January 25, 2022. Subject to the above SEBI circular, the requests for transmission/ transposition, etc., as and when received, are duly verified and processed after complying with rules in force. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Bank. Further to the above, SEBI has simplified the procedure and standardize the formats of documents for issuance of duplicate securities certificates vide its Circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated May 25, 2022.
<b>Investors Service Requests &amp; Dematerialisation</b>	In the case of issue of duplicate share certificate/ transmission/transposition etc. of physical shares, a letter of confirmation is issued after due verification, and thereafter, the securities holder/ claimant is required to make a request to the Depository Participant based on the said letter of confirmation received from the RTA/Bank for the purpose of dematerialisation of the said shares. In the case of transmission of securities of joint holders, the RTAs shall comply with the provisions of the Companies Act, 2013 and transmit securities in favour of surviving joint holder(s) in the event of demise of one or more joint holder(s), irrespective of whether any counterclaim/dispute is filed/raised by any legal representative of one of the deceased shareholder(s). The Letter of Confirmation issued shall be valid for a period of 120 days from the date of its issuance, within which the shareholder shall make a request to the Depository Participant for dematerializing the securities. In case the shareholder fails to submit the demat request within the aforesaid period, the RTA /Bank shall credit the securities to the 'Suspense Escrow Demat Account' of the Bank which is opened for this purpose.
<b>Certificate under Regulation 40(9) of the SEBI Listing Regulations</b>	The Bank obtains yearly certificate of compliance with the share transfer formalities as required under Regulation 40 (9) 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

The Prevention of Sexual Harassment (POSH) Act has been implemented with an aim to prevent and protect women from sexual harassment at the workplace and thereby ensure a safe working environment for women. The POSH Act, as mandatory compliance, requires to constitute an Internal Complaints Committee ("ICC") in the

prescribed manner in order to receive and address the complaints of any sort of sexual harassment from women in a time-bound and extremely confidential manner. The ICC will have the adequate power to investigate the sexual harassment complaints and redress them in the manner enumerated under the POSH Act and POSH Rules.

At your Bank, every staff has 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 ensure harmless workplace for the women employees in the Bank, in compliance to POSH Act, 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	4
Number of complaints disposed off during the year	NIL
Number of complaints pending as on the end of the financial year	4
Number of cases pending for more than ninety days	3
Remedial measures taken by the company	Bank has initiated timely measures for an effective redressal of grievances.
No of workshops or awareness programme against sexual harassment	35
Nature of action taken by employer/district officer	Bank will take appropriate action, once the committee (ICC) decide on the complaints received, if required.

## OTHER DISCLOSURES

Particulars	Details
<b>Related party transactions</b>	<p>All transactions entered into by your Bank with related parties in the ordinary course of business and on arm's length basis were placed before the Audit Committee of the Board for approval. Omnibus approval is obtained from the Audit Committee for transactions which are repetitive in nature and the same are reviewed on periodic basis.</p> <p>As per the amendments made in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2022, all related party transactions and subsequent material modifications shall require prior approval of the Audit Committee of the Bank and further all the material related party transactions and subsequent material modifications as defined by the Audit Committee shall require the prior approval of the members of the Bank. Accordingly, your Bank has obtained prior approval of the Audit Committee, the Board, and the members of the Bank via postal ballot resolutions for related party transactions/material related party transactions as per the said amendments, effective from April 1, 2022.</p> <p>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.</p> <p>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 <a href="https://www.csb.co.in/pdf/PolicyondealingwithRelatedPartyTransactionnew.pdf">https://www.csb.co.in/pdf/PolicyondealingwithRelatedPartyTransactionnew.pdf</a></p> <p>Details of related party transactions in terms of AS-18 entered into during the FY 2021 - 22 are given in notes to the financial statements.</p>

<b>Whistle Blower Policy/Vigil Mechanism:</b>	<p>The Bank has 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.</p> <p>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 at <a href="https://www.csb.co.in/pdf/Whistle-Blower-Policy02022022.pdf">https://www.csb.co.in/pdf/Whistle-Blower-Policy02022022.pdf</a></p>												
<b>Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity:</b>	<p>Not applicable. The Bank has not yet issued GDRs/ ADRs and hence the same is not applicable in the Bank's case.</p> <p>The Bank does not have any outstanding Warrants or any other convertible instruments as on March 31, 2022.</p>												
<b>Plant Locations:</b>	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 603 Branches (including three Service and Asset Recovery Branches, each) and 459 ATM/CRMs as on March 31, 2022.												
<b>Commodity Price Risks and Commodity hedging activities:</b>	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.												
<b>Commodity price risk or foreign exchange risk and hedging activities:</b>	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.												
<b>Certificate under Regulation 34(3) of Listing Regulations:</b>	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.												
<b>Fees paid to statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part</b>	<p>The total fees incurred by the Bank for services rendered by Statutory Auditors are given below:</p> <table> <tr> <th>Fee paid (excluding taxes)</th><th>Amount (in ₹)</th></tr> <tr> <td>Statutory Audit/Limited review</td><td>1,54,00,000</td></tr> <tr> <td>LFAR and Other Certification</td><td>16,00,000</td></tr> <tr> <td>Additional Certificates issued*</td><td>16,25,000</td></tr> <tr> <td>Out of Pocket expenses</td><td>31,63,423</td></tr> <tr> <td><b>Total</b></td><td><b>2,17,88,423</b></td></tr> </table> <p><i>* Includes the fees paid for general certifications which was outside the scope of the assignment.</i></p>	Fee paid (excluding taxes)	Amount (in ₹)	Statutory Audit/Limited review	1,54,00,000	LFAR and Other Certification	16,00,000	Additional Certificates issued*	16,25,000	Out of Pocket expenses	31,63,423	<b>Total</b>	<b>2,17,88,423</b>
Fee paid (excluding taxes)	Amount (in ₹)												
Statutory Audit/Limited review	1,54,00,000												
LFAR and Other Certification	16,00,000												
Additional Certificates issued*	16,25,000												
Out of Pocket expenses	31,63,423												
<b>Total</b>	<b>2,17,88,423</b>												
<b>Details of utilization of funds:</b>	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.												
<b>Policies of the Bank</b>	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 <a href="https://csb.co.in/investor-relations">https://csb.co.in/investor-relations</a>												

<b>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</b>	All disclosures in compliance with the Corporate Governance requirement specified in regulations 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 to the extent applicable are hosted in Banks' website <a href="http://www.csb.co.in">www.csb.co.in</a> as well as the same are forms part of this report and have complied with the said regulations.
<b>Accounting Policy</b>	<p>The significant accounting policy of the Bank is mentioned in Schedule 17 of the financial statements. The Bank has followed the same accounting policies in the preparation of these financial results as followed in the annual financial statements for the year ended March 31, 2022 except policy on NPA recovery and policy related to accounting of the share-linked instruments, issued under the employee stock option scheme of the Bank.</p> <p>Previously, recovery in NPA was first appropriated towards interest and balance, if any, towards principal, except in the case of Suit Filed Accounts, sale to Asset Reconstruction Companies and accounts under onetime settlement where recovery was appropriated based on the court decree/terms of agreement. From May 01, 2021, the Bank amended the policy on NPA recovery to appropriate recovery on all NPA first towards principal and balance if any towards interest. Impact of the above change in the financial results for the quarter and year ended March 31, 2022 is not material.</p> <p>Reserve Bank of India, vide its clarification dated August 30, 2021 on Guidelines on Compensation of Whole Time Directors / Chief Executive Officers / Material Risk Takers and Control Function Staff, advised all the banks that the fair value of share-linked instruments on the date of grant should be recognised as an expense for all instruments granted after the accounting period ending March 31, 2021. Accordingly, the Bank has changed its accounting policy from the Intrinsic Value Method to the Fair Value Method for all share-linked instruments granted after March 31, 2021. The fair value of the stock-based compensation is estimated on the date of grant using Black-Scholes model and is recognised as compensation expense over the vesting period.</p>
<b>Strictures and Penalties</b>	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.

## DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

<b>GOVERNANCE CODES</b>	<p>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.</p> <p>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 &amp; 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.</p>
<b>CONFLICT OF INTERESTS</b>	Each Director informs the Bank on an annual basis about the Board and the Committee positions he occupies in other companies including Chairpersonships 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, as amended (PIT Regulations), to regulate, monitor and report trading in Securities of the Bank by Designated Persons and their Immediate Relatives. The code is applicable to Promoters and Promoter’s Group, all Directors, Designated Persons, connected persons and their immediate relatives who are expected to have access to unpublished price sensitive information(UPSI) relating to the Bank. The objective of this Code is the preservation of confidentiality of UPSI, to prevent misuse of such information and to prohibit Designated Persons and their Immediate Relatives from trading in the Bank’s Securities while in possession of UPSI.

The Company Secretary has been designated as the Compliance Officer for this purpose and is responsible for setting forth policies, procedures and monitoring adherence to the SEBI Regulations and Bank’s Code of Conduct.

This Code also lays down the ethical standards to be adhered to while trading in Securities of 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 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, other Connected Persons and their immediate relatives of the Bank while in possession of UPSI in relation to the Bank. Further, trading window shall be closed from the end of every quarter till 48 hours after the declaration of financial results. The details of Trading Window closure during the period under review are mentioned below:

Trading Window Closure Period	Purpose of closure of Trading Window
April 1, 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.
July 1, 2021 to July 26, 2021	For announcement/declaration of the unaudited financial results of the Bank for the quarter ending on June 30, 2021.
October 1, 2021 to October 27, 2021	For announcement/declaration of the unaudited financial results of the Bank for the quarter and half year ending on September 30, 2021.
January 1, 2022 to January 25, 2022	For announcement/declaration of the unaudited financial results of the Bank for the quarter and nine months ended on December 31, 2021.
April 1, 2022 to May 10, 2022	For announcement/declaration of the Audited Financial Results of the Bank for the quarter and financial year ending on March 31, 2022.

The Bank has also formulated ‘The Code of Practices and procedures for fair disclosure of Unpublished Price Sensitive Information’ in compliance with PIT Regulations and this code is displayed on the Bank’s website at [www.csb.co.in](http://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 Board has approved “Dividend Distribution Policy”. The Policy has been displayed on the website of the Bank at [https://www.csb.co.in/pdf/CSB\\_Dividend\\_Policy.pdf](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 ₹ 10,38,330/- for FY 2013-14 have been transferred to Investor Education and Protection Fund (IEPF) on November 11, 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 of Corporate Affairs 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.

## 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.

## 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.

Pursuant to the IEPF Rules, 2,50,989 shares in respect of which unclaimed/unpaid dividend was not claimed from 2013-14 for seven consecutive years were transferred to IEPF Authority Ministry of Corporate Affairs Account (IEPF) on November 23, 2021, 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](http://www.csb.co.in).

## GUIDELINES FOR CLAIMING REFUND OF SHARES AND DIVIDEND 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 and dividend by filing web Form IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in). The claimants need to register themselves on MCA portal by creating Login ID credentials. After successful login into MCA portal, claimants have to click on MCA services tab and choose IEPF- 5 option under "Investor Services" and follow the due process for filing the form. 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 Service Request Number (SRN). Claimants may please note the SRN for future communications and 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, original share certificate(s) where shares in physical form are claimed, original cancelled cheque leaf along with other necessary documents as may be 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.

If the shares/dividend claimed are in respect of shares under the process of transmission/the original share certificate of which are lost/under name correction etc., the shareholders shall follow the instructions prescribed in the relevant rules and regulations in force.

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

Name of the Company	CSB Bank Limited
Name of the Nodal Officer	Mr. Sijo Varghese
Corporate Identification Number (CIN) of the Bank	L65191KL1920PLC000175
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
E-mail ID of the Bank	investors@csb.co.in

## MANDATORY KYC UPDATION

The Securities and Exchange Board of India vide its Circulars No. SEBI/HO/MIRSD/ DOP1/CIR/P/2018/73 dated April 20, 2018 read with Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB /P/CIR/2021/655 dated November 03, 2021, and Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB /P/CIR/2021/687 December 14, 2021, had mandated submission of Permanent Account Number (PAN), bank account details, nomination details and KYC 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 Registrar and Transfer Agents: Link Intime India Pvt. Ltd., Surya 35, May Flower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028, in the prescribed format. 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. Folios without any one of the cited document /

details on or after April 01, 2023, shall be frozen by the RTA in terms of said circulars. Such frozen folios shall not be eligible to avail any service request or any benefits arising out the shareholding, unless the shareholder furnishes the complete details as mentioned above.

## 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.

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
1	Number of shareholders and the outstanding shares as on April 01, 2021	94	9866
2	Aggregate Number of shareholders and the outstanding shares transferred during the financial year to Unclaimed Suspense Account	0	0
3	Less: No. of shareholders who approached the Bank for transfer of shares and to whom shares were transferred during the fiscal 2021-22	0	0
4	Less: No. of Shares transferred to the IEPF authority in terms of Section 124(6) of the Companies Act, 2013*	18	515
5	Aggregate Number of shareholders and the outstanding shares as on March 31, 2022 in the Unclaimed Suspense Account#	76	9351

\* Shares in respect of which dividend has been unclaimed by the shareholders for a period of seven consecutive years were transferred to IEPF

# Voting rights on these shares shall remain frozen till the rightful owners of such shares claim these shares



## LISTING AGREEMENT WITH STOCK EXCHANGES

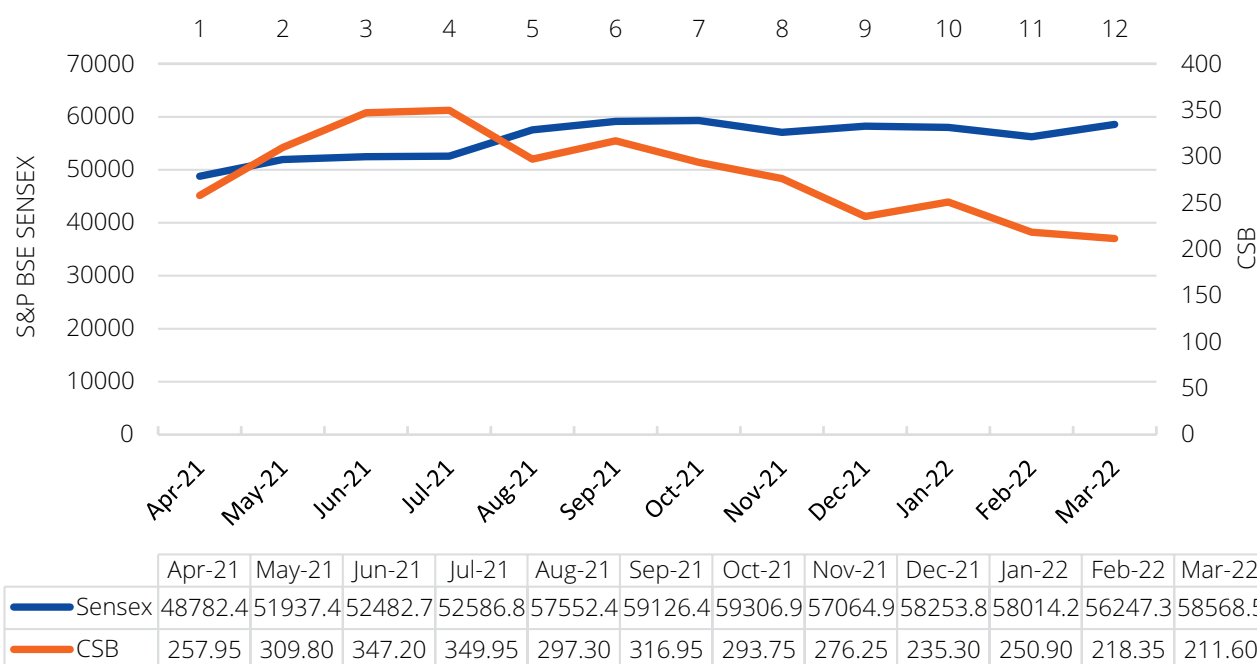
Bank's shares were listed on the exchanges with effect from December 4, 2019 and the listing fees payable to the Stock Exchanges for the financial year 2022-23 has been paid to National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) on April 21, 2022.

## STOCK MARKET PRICE DATA OF BANK'S SHARES

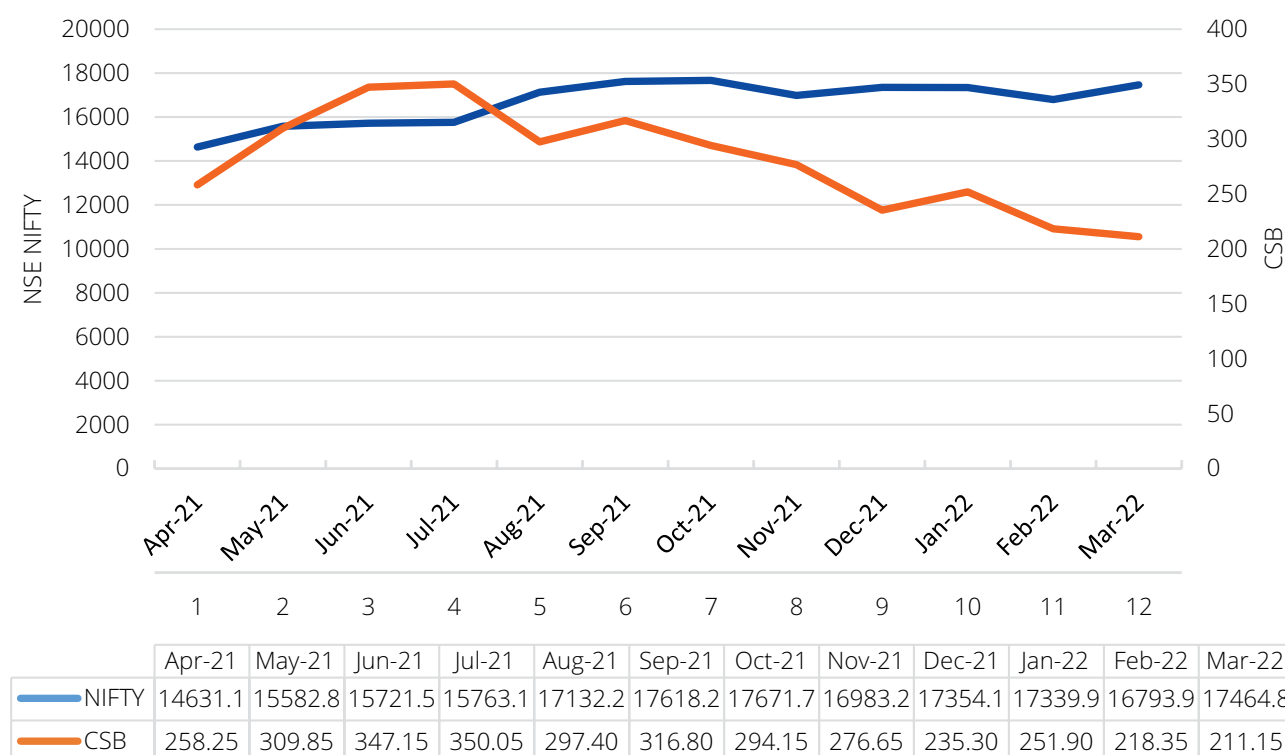
The monthly high and low prices of the Bank's shares traded on the National Stock Exchange of India Ltd. (NSE), Mumbai and BSE Ltd. (BSE), Mumbai during the period from April 1, 2021 to March 31, 2022 are as under:

BSE Ltd. (BSE)			National Stock Exchange of India Ltd. (NSE)		
Month	High	Low	Month	High	Low
April 2021	269.40	233.65	April 2021	269.70	233.00
May 2021	345.90	246.00	May 2021	346.20	245.80
June 2021	362.50	303.40	June 2021	361.00	303.50
July 2021	372.95	280.45	July 2021	374.00	274.40
August 2021	353.30	294.00	August 2021	354.20	293.00
September 2021	329.75	294.55	September 2021	329.85	293.65
October 2021	355.00	288.75	October 2021	336.90	288.55
November 2021	307.00	266.45	November 2021	305.00	266.00
December 2021	280.75	220.40	December 2021	281.55	220.00
January 2022	267.95	234.10	January 2022	268.00	233.05
February 2022	264.30	202.15	February 2022	264.35	208.35
March 2022	226.40	201.30	March 2022	226.80	201.00

## PERFORMANCE OF THE CSB BANK EQUITY SHARES RELATIVE TO S&P BSE SENSEX FROM APRIL 1, 2021 AND UP TO MARCH 31, 2022.



## PERFORMANCE OF THE CSB BANK EQUITY SHARES RELATIVE TO NSE NIFTY FROM APRIL 1, 2021 AND UP TO MARCH 31, 2022.



## FINANCIAL CALENDAR FOR PUBLICATION OF FINANCIAL RESULTS: FOR FY 2021-22

Quarter ending	Date of approval
June 30, 2021	July 22, 2021
September 30, 2021	October 25, 2021
December 31, 2021	January 21, 2022
March 31, 2022	May 06, 2022

### MEANS OF COMMUNICATION

Quarterly/ Yearly Financial Results	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 <a href="http://www.csb.co.in">www.csb.co.in</a> . 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 financial results are sent to the shareholders via e-mail since last quarter of the financial year 2021-22.
Earnings Call/ Investors Presentations/ Media Releases	The Bank conducts meetings/call with Institutional Investors and Analysts in every quarter, after the results are declared. The Investors Presentations and transcript/audio recordings of the Institutional Investors and Analysts call are uploaded in the Bank's website at <a href="http://www.csb.co.in">www.csb.co.in</a> and also submitted to the stock exchanges. The Bank is also uploading the audio recordings of the Institutional Investors and Analysts meetings/call in the Bank's website at <a href="http://www.csb.co.in">www.csb.co.in</a> , with a reporting of the same to the stock exchanges.
Annual Report	The results, Annual Report including the Notice and Explanatory Statement are also displayed on the Bank's website at <a href="http://www.csb.co.in">www.csb.co.in</a>
Others	Other information, such as press releases, stock exchange disclosures/ statutory filings and presentations made to investors and analysts, etc., are regularly updated on the Bank's website at <a href="http://www.csb.co.in">www.csb.co.in</a> .

## 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 May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022, and SEBI Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022, the Bank is required to send soft copies of its Annual Report to all those shareholder(s), who have registered their email address with the Bank/Bank's RTA/ any depository. Accordingly, the documents including the notice and explanatory statement of the 101st Annual General Meeting, the Annual Report of the Bank for the financial year 2021-22 including Audited Financial Statements, Directors' Report, Auditors' Report etc., for the year ended March 31, 2022, 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/Bank.

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 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, Practicing 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	<b>The Board</b>	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	<b>Shareholders' rights</b>	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	<b>Unmodified audit opinion /reporting</b>	The Auditors have expressed an unmodified opinion on the financial statement of the Bank for the financial year ended March 31, 2022.

4	<b>Separate posts of Chairperson and the Managing Director or the Chief Executive Officer</b>	The Bank has separated the positions of the Chairman and the Managing Director & Chief Executive Officer.  The Part-time Chairman is a non-executive Independent director and is not related to the Managing Director & Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.
5	<b>Reporting of Internal Auditor</b>	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) of the Listing Regulations, Bank has created a separate e-Mail ID viz. investors@csb.co.in for redressal of Investor Complaints and Grievances.

By Order of the Board

Sd/-

**Madhavan Aravamuthan**

Chairman

(DIN: 01865555)

Place: Thrissur

Date : June 28, 2022

## GENERAL INFORMATION FOR SHAREHOLDERS

Financial Calendar	April 01, 2021 to March 31, 2022				
Date of the Board Meeting at which the final accounts were approved	May 06, 2022				
Dividend	NIL. Board has not recommended dividend for the financial year 2021-22				
101st Annual General Meeting	Date :	September 27, 2022			
	Day :	Tuesday			
	Time :	11.00 AM IST			
	Venue/ meeting	Virtual	The Bank is conducting meeting through VC / OAVM pursuant to the MCA Circulars dated May 5, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022, and SEBI Circulars dated May 12, 2020, January 15, 2021 and May 13, 2022 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	September 21, 2022 to September 27, 2022				
Listing on Stock Exchanges	<b>BSE Limited,</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001.		<b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, 5th floor, Bandra-Kurla Complex, Bandra (E), Mumbai 400051.		
Stock Code	<b>542867</b>		<b>CSBBANK</b>		
Date of Listing	December 04, 2019				
Corporate Identity Number (CIN)	L65191KL1920PLC000175				
ISIN	INE679A01013				
CREDIT RATINGS	Instrument(s)	Amount Up to (Cr.)	Rating		
			CRISIL Ratings	India Ratings & Research	
		Certificate of Deposits	2,000	CRISIL A1+	-
		Short Term Fixed Deposits	2,000	CRISIL A1+	-
	Tier II, Basel III compliant bonds	500	CRISIL A/Stable	IND A/ Stable	
*The Bank has not yet issued any bonds as part of the programme.					
Bank's Address for correspondence / Address of the Compliance Officer.	Mr. Sijo Varghese, Company Secretary, <b>CSB Bank Limited,</b> "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: investors@csb.co.in  Website: www.csb.co.in				
Address of the Registrars & Share Transfer Agents of the Bank.	<b>Link Intime India Pvt. Ltd.</b> 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				

## AFFIRMATION OF COMPLIANCE WITH CODE OF CONDUCT

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I, Pralay Mondal, Managing Director & CEO (Interim) 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".

Sd/-

**Pralay Mondal**

Managing Director & CEO (Interim)  
(DIN: 00117994)

Place: Mumbai

Date : June 28, 2022



## CEO / CFO CERTIFICATION

We, Pralay Mondal, Managing Director & CEO(Interim) 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 31.03.2022 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

Place: Mumbai

Date: May 06, 2022

Sd/-

**Pralay Mondal**

Managing Director & CEO(Interim)  
(DIN: 00117994)

## CERTIFICATE ON CORPORATE GOVERNANCE

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To the members of **CSB BANK LIMITED**

We have examined the compliance of the 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 **31<sup>st</sup> March, 2022** 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 the 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, 2022.

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.

**Peer Review Certificate No.648 /2019**  
**UDIN:F003067D000537414**  
**For SVJS & Associates**  
Company Secretaries

Sd/-  
**CS Vincent P.D.**  
Managing Partner  
CP No.: 7940, FCS: 3067

Place: Kochi  
Date: June 28, 2022

## 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](http://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 and on the basis of written representations received from the directors as on March 31, 2022, and taken on record by the Board of Directors, 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, 2022** 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.Pralay Mondal	00117994	17.02.2022
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
10	Mr.Sunil Srivastav	00237561	08.06.2021
11	Mr.Sharad Kumar Saxena	08238872	19.02.2022

\* Mr.Rajendran Chinna Veerappan retired from the board at the close of office hours on 31.03.2022.

#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.

**Peer Review Certificate No.648 /2019**

**UDIN: F003067D000537458**

**For SVJS & Associates**

Company Secretaries

Sd/-

**CS Vincent P.D.**

Managing Partner

CP No.: 7940, FCS: 3067

Place: Kochi

Date: June 28, 2022