CSB Bank

Annual Report 2020-21

BANKING ON TRANSFORMATION

Disclaimer

Statements in this report that describe the Bank's objectives, projections, estimates, expectations or predictions of the future may be 'forward-looking statements' within the meaning of the applicable securities laws and regulations. The Bank cautions that such statements involve risks and uncertainty and that actual results could differ materially from those expressed or implied. Important factors that could cause differences include cyclical demand in the Bank's principal markets, changes in Government & RBI regulations, economic developments within the countries in which the Bank conducts business, and other factors relating to the Bank's operations, such as litigation, labour negotiations and fiscal regimes.

AN EVENTFUL YEAR AT CSB

FY 2021 was an eventful year for CSB Bank. The 100 years of the Bank came with many a milestones achieved which include a turnaround performance, increasing the leadership abilities, moving fast on the Bank's digital journey, streamlined processes, and increasing geographical footprints. Management narratives of this report focuses on the 100 year old Bank's transformation into a new age, profit making entity.

TABLE OF CONTENTS

02 Banking on Transformation
03 Chairman's Message
06 About CSB Bank
08 Business Model
10 Key Milestones
12 Board of Directors
14 How We Performed
16 COVID Impact Mitigation
17 Review by Managing Director & CEO
20 Strategies, KPIs And Goals
22 Our Human Capital
24 Financial Highlights
26 Review by President
28 Retail Banking
29 SME Banking
30 Corporate Banking and Treasury Management
31 Digital Banking
33 Corporate Information

BANKING ON TRANSFORMATION

CSB Bank has been transforming within itself since 2016. While cherishing its 100 years of "Trust Capital' the renewed focus of the Bank has been transforming its leadership and people capabilities , bringing in investor confidence, prudent risk management, streamlining processes, rationalization, strong sales verticalization and embarking on a digital journey.

FY21 is a new dawn at CSB Bank with the transformation initiatives reflecting in its performance. The Gross NPA of the Bank declined from 7.2% in FY17 to 2.7% in FY21. The net NPA declined from 4.40% to 1.17% during the same period. The Bank improved its topline, margins, and provisioning during FY21. During the year, Net profit of the Bank increased to ₹ 218 crores as against ₹ 13 crores in the previous year.

Going forward, the management of the Bank will ensure that the newly gained advantages are enhanced year on year for ensuring value for all its stakeholders.

"SINCE WE BEGAN OUR TRANSFORMATION JOURNEY, WE AT CSB BANK HAVE BEEN BUILDING IN THE MUCH-NEEDED OPERATIONAL RESILIENCE. WE ARE AHEAD OF THE INDUSTRY IN TERMS OF MANAGING NPAS, PROVISIONING, EXPANDING OUR MARKETS ESPECIALLY, IN RETAIL, GOLD LOANS AND SME SPACE. I AM DELIGHTED TO SAY THAT IN FY20 THE BANK SHOWED EARLY SIGNS OF A TURNAROUND AND IN FY21 THE BANK HAS PUT ON RECORD A STELLAR PERFORMANCE DESPITE FOLLOWING STRINGENT PROVISIONING NORMS"

Madhavan Aravamuthan
Chairman

"AS WE HAVE ACHIEVED THE CRITICAL TRANSFORMATION OF THE BANK, WE WILL NOW FULLY FOCUS ON GROWTH IN FY 22 AND BEYOND. WE ARE DEVOID OF THE INSTABILITIES WHICH DETERRED OUR PERFORMANCE AND GROWTH IN THE PAST. GOLD LOANS, TWO WHEELER LOANS, AGRI LOANS, MSME AND SME SEGMENT WILL CONTINUE TO BE IN THE MAIN FOCUS"

C. VR. Rajendran
Managing Director & CEO

CHAIRMAN'S MESSAGE

Dear Shareholders,

I am delighted to make my maiden address to the stakeholders of CSB Bank as Chairman of the Board. With the support from the Board of Directors, RBI and our shareholders, I am confident of successfully delivering my responsibilities.

Since my joining the Board, in December 2018, I have been observing the Board of Directors and senior management meticulously following the governance and risk management norms. The entire team at CSB Bank under the leadership of our MD & CEO Mr. C. VR. Rajendran has ensured the effective implementation of our renewed strategies. This includes a prudent risk assessment, business expansion, reducing the NPAs, and turning the underperforming bank to a new age profit making entity.

In FY20, CSB Bank had achieved 100 years of its glorious existence. During the Bank's centenary celebrations, the founders of the Bank were remembered, who had the vision to create an institution for providing employment and livelihood to a large section of the society. It was also a coincidence that during its 100th Year, your Bank came out with its highly successful IPO, and the Bank's shares were also listed on the bourses, adding another golden feather on its hat. Again, in its 101st year, your Bank opened 101 new branches, across India.

A century old trust capital along with renewed strategies has enabled your Bank to script a success story to emulate. Amidst stress and difficulties in survival in the Indian banking sector, we are among few banks, in the recent past, who not only survived maintaining our own identity but successfully turned around on a well-defined glide path.

Provisioning

In banking, judicious provisioning is akin to sustainable risk management. Bank's NPA provisions increased by ₹ 60 crores during the year consequent mainly due to the accelerated provisioning policy of the Bank in view of the prevailing uncertainties. Standard asset provisions have increased by 110 crores which include the covid related provision of around 25% on stressed assets starting from one-day default. Your Bank also has been providing 25% on the restructured accounts having more credit risk based on the management judgement as against a requirement of only 5%. The excess provisions held over and above RBI provisioning norm amounts to approximately ₹ 250 crores as on 31.03.2021.

AMIDST STRESS AND DIFFICULTIES IN SURVIVAL IN THE INDIAN BANKING SECTOR, WE ARE AMONG FEW BANKS, IN THE RECENT PAST, WHO NOT ONLY SURVIVED MAINTAINING OUR OWN IDENTITY BUT SUCCESSFULLY TURNED AROUND ON A WELL-DEFINED GLIDE PATH.

Madhavan Aravamuthan
Chairman

> **STANDARD ASSET PROVISIONS HAVE INCREASED BY 110 CRORES WHICH INCLUDE THE COVID RELATED PROVISION OF AROUND 25% ON STRESSED ASSETS STARTING FROM ONE-DAY DEFAULT. YOUR BANK ALSO HAS BEEN PROVIDING 25% ON THE RESTRUCTURED ACCOUNTS HAVING MORE CREDIT RISK BASED ON THE MANAGEMENT JUDGEMENT AS AGAINST A REQUIREMENT OF ONLY 5%.**

> **A SIGNIFICANT IMPROVEMENT IN ALL KEY PERFORMANCE RATIOS, EARNINGS PER SHARE IMPROVED FROM ₹ 0.88 TO ₹ 12.59 AND BOOK VALUE PER SHARE ROSE FROM ₹ 113.04 TO ₹ 125.67. THESE STELLAR RESULTS HAD BEEN WELL TAKEN NOTE OF BY THE INVESTORS' COMMUNITY, THUS PUSHING THE MARKET CAPITALISATION TO ₹ 6000 CRORE MARK POST DECLARATION OF THIS YEAR'S RESULTS.**

On Performance

Since we began our transformation journey, we at CSB Bank have been building in the much needed operational resilience. We are ahead of the industry in terms of managing NPAs, provisioning, expanding our markets especially, in retail, gold loans and SME space.

I am delighted to say that in FY20 the Bank showed early signs of a turnaround and in FY21 the Bank has put on record a stellar performance despite following stringent provisioning norms. Congratulations to the team CSB for this path-breaking performance. This resulted in a significant improvement in all key performance ratios, earnings per share improved from ₹ 0.88 to ₹ 12.59 and Book value per share rose from ₹ 113.04 to ₹ 125.67. These stellar results had been well taken note of by the investors' community, thus pushing the market capitalisation to ₹ 6000 crore mark post declaration of this year's results, the best ever market capitalisation, post listing of shares of the Bank.

I thank the Central Bank and promoters for all the support and guidance. Even during the difficult times our customers and shareholders continued to repose faith in the Bank, and they are indeed partners in our progress. My sincere thanks to them while I seek their continued patronage. My colleague Mr. C. VR. Rajendran, MD & CEO will elaborate more on our performance in his address.

Banks need to embrace technology and keep updating the acquired technology for delivering customer experience as well as to be able to compete with the fintech companies in credit delivery. Digitalization is engraved in our strategy and in recent years we have made strides in rolling out various internet and mobile banking options. During the year the Bank has launched a virtual account opening application and WhatsApp banking. Further, our team along with our technology partners are working on enhancing the Bank's digital capabilities. The increased number of internet banking users in FY21 is proof that our digital strategies are delivering results.

Corporate Governance Philosophy

Transparency between the shareholders and prudent risk management are the cornerstones of effective corporate governance. As a significant player in the country's financial systems, any nonconformity to governance norms can jeopardize the Bank's very survival leading to exposing customers, employees and investors to enormous financial risks. In recent years, we have seen a few financial entities going through adverse situations leading the regulators to press the reboot button.

The Corporate Governance Philosophy of the Bank is to promote corporate fairness, transparency and accountability, so as to maximize long-term value for all stakeholders. Your Bank is committed to high standards of corporate governance practices and upholds fairness and trust in all its dealings with its stakeholders, in line with its Corporate Governance Philosophy. This philosophy is realized through the Bank's endeavour in working towards portfolio, operational and reputation excellence. Bank in tune with Corporate Governance Philosophy, follows the principles of 'arm's length basis' relationship and follows regulatory compliance in its all dealings with related parties. In practice, it follows a more conservative approach than even what the policy had laid down. I believe this Philosophy helped the Bank to be rated as the second-best bank among all banks by Forbes Business Magazine, based on the parameters of general satisfaction and key attributes like trust, fees, digital services, financial advice, etc.

Going Forward

FY21 has been a challenging year for the global economy as the consequences of the COVID-19 hitting most of the sectors. As the signs of devastation began to recede with the beginning of the vaccination, most economies started recovering in the last quarter of CY20 - including India. While the Government, Central Bank and research agencies expected a quick turnaround and an economic rebound in India, the second wave of the pandemic however is posing enormous challenges, creating an atmosphere of uncertainties. At the CSB Bank, we will closely monitor the external situation as well as keep ourselves agile to mitigate its impact.

We will continue to be a socially committed Bank. In FY20 we ensured stability and in FY21 we have embarked on our journey towards profitability and growth. Our primary objective is to ensure governance and customer delight while creating value for our shareholders. Our workforce is becoming younger year on year. By aligning them with the Bank's vision we are able to build an efficient workforce and ensure their professional growth. In the coming years, we will also explore avenues for increasing your Bank's contribution to society under our CSR initiatives. At the same time, we are also looking after the wellbeing of the CSB family in the fight against the Covid.

Across the world, climate change has a huge impact on financial institutions. It comes with risks as well as opportunities. On the risk side, we will monitor the impact of climate change on segments in our business banking portfolios. We will also move towards sustainable banking through financing energy efficient business models. As we are becoming a digitally enabled new age Bank, we are contributing to the planet by reducing fossil fuel consumption and resources.

Going forward our strategic focus will remain on year-on-year growth. We help many entrepreneurial aspirations succeed through our retail and SME loan products. The majority of your Bank's clients are micro and small businesses who are pillars of the economy. Amidst economic uncertainties, we have a social business responsibility to make the credit available for those who bank on us. At the same time, we must ensure that the delivered credit is secured. The Board and senior management of the Bank are geared towards managing this twin responsibility.

I wish to make a special mention on the invaluable contribution of Mr. Madhavan Menon, my predecessor chairman for setting up a good corporate governance framework in the Bank and also the sheer professionalism that he displayed during his tenure by sharing unbiased, decisive and professional opinions, keeping in view of all the stakeholders' interest at hand and setting the Bank on an all-round recovery path.

I would like to conclude by thanking all our customers for their continued patronage, associates, partners, and other well-wishers for creating value and for strengthening our strategic intent, the Central Bank, and the Securities and Exchange Board of India, and the stock exchanges for all the help and guidance on regulatory compliance. I also thank Govt. of India, various state governments, in particular Government of Kerala and government agencies for the administrative guidance and help they have been extending.

Stay Safe.

Thank you.

Madhavan Aravamuthan
Chairman

ABOUT CSB BANK

Established in 1920, CSB Bank is among the few private sector banks which has completed 100 years of banking in India. Beyond its strong base in Southern India, the Bank is expanding its footprints across the country. The Bank's transformation journey started since 2016 under the new leadership and by the majority acquisition by the Toronto-based Fairfax group in October, 2018. The Bank completed its enormously successful IPO with an overwhelming response and its shares were listed on Indian stock exchanges in 2019.

Prudent risk management, rationalization of operations, leadership empowerment, product innovations and digitalization were the key drivers of the new CSB Way.

After reporting losses over a period- ₹ 197 Crore loss in FY19, the Bank clocked a profit of ₹13 Crores in FY20 and a 1616% increase to ₹ 218 Crores in FY21. The Bank has four principal business areas, namely, SME banking, Retail banking, Corporate banking, and Treasury operations.

512
Branches

4180
Employees

1,700,000+
Customers

"FROM LONG HISTORY OF YEAR ON YEAR NET LOSSES – A ₹197 CRORES LOSS IN FY19 THE BANK CLOCKED A PROFIT OF ₹ 13 CRORES IN FY20 AND A 1616% INCREASE TO ₹ 218 CRORES IN FY21. THE BANK HAS FOUR PRINCIPAL BUSINESS AREAS, NAMELY, SME BANKING, RETAIL BANKING, CORPORATE BANKING, AND TREASURY OPERATIONS."

BUSINESS MODEL

CSB has four principal business areas, namely, SME banking, Retail banking, Corporate banking, and Treasury operations. Bank has renewed its business model for functional efficiency as a full service new age private sector bank. To this end, the Bank has re-aligned the organizational set-up by driving the operations, people and business strategy. CSB's Renewed Business Model is based on four management initiatives.

Branches:

CSB Branches are responsible for deposits, gold loans, cross-selling and customer servicing.

Products:

All loan products will be driven by dedicated teams, with each business team operating as a profit centre.

People:

Lateral hiring along with hiring of new recruits by offering market based compensation with a performance linked variable pay component, including employee stock option plans, which will align our employees' interest with the performance of the Bank.

Customer Experience:

We are also expanding our products suite, services, and digital banking platform, with investments in technology aimed at improving our customers' experience, making it easier for them to interact with us, and offering them a range of products tailored to their financial needs.

Inputs

Financial Capital

Pool of funds available with us from diverse sources for investments and advances.

Manufactured Capital:

Branch Networks, Associates, ATMs and Information Technology – Data Centres.

Intellectual Capital :

Brand & Reputation, Processes and Procedures, Innovation, Information Technology.

Human Capital

Skills, Knowledge, Experience of employees, Leadership.

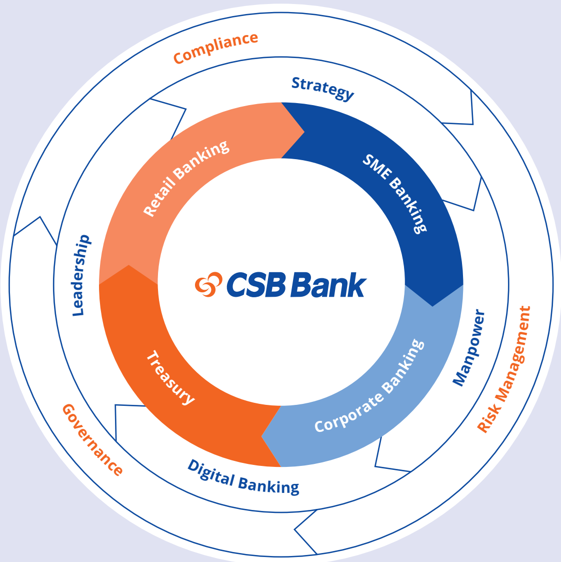
Social & Relationship Capital:

Customers, Shareholders, Community.

Vision Mission

"CSB endeavours to be a leading bank striving to excel in bringing products that satisfy the needs of targeted client segments, backed by excellent service – through our branches and technology driven initiatives in a compliant and regulated manner. For our employees, we want to create a culture of pride – driven by performance and productivity that should eventually result in sustainable growth in business and deliver superior returns to our Shareholders."

Operational/Governance Matrix



Key Drivers of the business

Social, economic and market forces.

Shareholders, customers, employees, regulatory bodies, society.

Outputs

Financial Capital

₹**34,500** Cr Total business

₹**613** Cr Operating profit

Manufactured Capital:

512 Branches across 16 states & 4 union territories

318 ATMs

Intellectual Capital :

100 Years of Trusted Banking,

310,000+ Internet Banking Users

2,77,000+ Mobile Banking Users

Human Capital

4180 Employees.

Social & Relationship Capital:

1.7 Million + Customers.

₹ **3,095** Cr Loans to SME, MSME, Agri & MFIs in FY21.

47,513 Shareholders (as on 31.03.2021).

KEY MILESTONES

1920
Incorporation of our Bank.

1964-65
The Bank took over the assets and liabilities of six small and medium sized banks located in Kerala.

1969
Included in the second schedule to the Reserve Bank of India Act.

1975
Received license to deal in foreign exchange and mechanized reconciliation of inter-branch transactions.

2004
Total business crossed ₹50,000 Million.

2007
Received first Foreign Direct Investment in the history of the Bank.

2009
Total business crossed ₹100,000 Million.

2013
Total business crossed ₹200,000 Million.

2015
Obtained approval of the Foreign Investment Promotion Board (FIPB) for receiving FDI up to 74% of the paid up share capital of our Bank.

2018
RBI accorded its approval to FIH Mauritius Investments Ltd (A Fairfax Group company) to acquire up to 51% of the post issue paid up share capital of our Bank, which is first of its kind in the history of Banking Sector, in India.

2019
Successful IPO and shares were listed on Indian stock exchanges.

2020
Bank completed 100 years since its inception in 1920.

2021
Bank recorded an all-time high net profit of ₹ 218 Cr in FY 21 as against ₹ 12.72 Cr in FY20, an increase of 1617%.

Crossed 500 branches.

Total business crossed ₹ 300,000 Million.

BOARD OF DIRECTORS

Mr. Madhavan Aravamuthan
Chairman
Date of Joining: December 13, 2018 as an Independent Director.
Chairman Since: August 10, 2020.

Experience: He is a seasoned banker having served Reserve Bank of India for over 37 years in various areas and capacities. His expertise include deep knowledge of IT Systems, Payment & Settlement Systems and Offsite surveillance of Banks.

Education: Bachelor's Degree and a Master's Degree in arts from the University of Madras. Certified associate of the Indian Institute of Bankers.

Mr. C.VR. Rajendran
Managing Director & CEO
Date of Joining: November 24, 2016
MD & CEO Since: December 9, 2016

Experience: He has over 40 years of experience in banking and finance sector. He has held the position of Chairman & Managing Director of Andhra Bank and Executive Director in Bank of Maharashtra. He has also held various positions including that of General Manager in the Corporation Bank. He was holding the position of Chief Executive Officer of the Association of Mutual Funds in India prior to joining in the Bank.

Education: Bachelor's Degree and a Master's Degree in commerce from Madurai Kamaraj University, ICWA, Inter and is an associate of the Indian Institute of Bankers.

Mr. Madhavan Menon
Non Executive Director
Date of Joining: September 3, 2018.

Experience: He has over 30 years of experience in the finance and banking sector. He was the Part Time Chairman of the Bank for the period April 22, 2019 and up to July 21, 2020. He has previously worked with ANZ Grindlays Bank Limited, Citibank N.A., Emirates Bank International, Birla Capital International AMC Limited in the past. He is currently the Managing Director of Thomas Cook (India) Limited.

Education: Bachelor's Degree and a Master's Degree in Business Administration from the George Washington University.

Mr. Sumit Maheshwari
Non Executive Director
Date of Joining: September 3, 2018

Experience: He is a recognized accounting expert, with particular strength in translating between Indian GAAP, U.S. GAAP and IFRS accounting standards. He is the Managing Director and Chief Executive Officer of Fairbridge Capital Private Limited and currently serves on the Board of many of the Investee/ portfolio companies of Fairfax group. Prior to joining Fairbridge, he was at KPMG in India in their audit and accounting advisory practices.

Education: Master of Business Administration from the Indian School of Business, Hyderabad and Bachelor's Degree and Master's Degree in Commerce from the University of Mumbai. He is a Member of the Institute of Chartered Accountants of India.

Ms. Bhama Krishnamurthy
Independent Director
Date of Joining: September 3, 2018

Experience: She has over 35 years experience in Banking and is a seasoned banker with a sparkling career in IDBI Ltd., (presently IDBI Bank) and SIDBI. 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.
Her main areas of specialisation are Resource Raising and Management (Rupee and Forex), Integrated Treasury operations, Credit Dispensation and Management, Risk management, etc.

Education: Master's Degree in Science from the University of Mumbai.

Ms. Sharmila Abhay Karve
Additional Director
(Non-Executive & Independent)
Date of Joining: July 20, 2020.

Experience: She has over three decades of association with the Network of Price Waterhouse firms in India in various capacities till she retired on 30th of June 2019. She held the position of 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. By 2017, she was holding the position as the Diversity & Inclusion Leader for the PwC Global network and was on the Global Leadership Team and the Global Human Capital Team.

Education: Bachelor's Degree in Commerce from Mumbai University and also a Member of the Institute of Chartered Accountants of India.

Mr. Sudhin Choksey
Additional Director
(Non-Executive & Independent)
Date of Joining: March 30, 2021.

Experience: He has over 42 years of experience in India and abroad. Former MD of GRUH Finance Ltd which merged with Bandhan Bank. As a part of the scheme of merger, Joined Bandhan Bank as ED (Designate) in October 2019 and retired in February, 2021. As CEO of GRUH Finance, worked in the mortgage finance business with skills in lending. 26 years of working with GRUH Finance, he held various positions as GM, ED, Chief Executive Director and MD. At Bandhan Bank, vertical head of the housing finance.

Education: Bachelor's Degree in Commerce from Mumbai University and also a fellow Member of the Institute of Chartered Accountants of India.

Mr. Sunil Srivastav
Additional Director
(Non-Executive & Independent)
Date of Joining: June 8, 2021.

Experience: He has over 38 years of experience in SBI since 1980. Held various positions in SBI and retired as Deputy Managing Director of Corporate Banking. He has ample experience in Credit Risk, Project and Corporate Finance, International Banking, Investment Banking, Corporate Strategy, National/Elite Banking, Corporate, Digital and Retail Banking.

Education: Bachelor's Degree in Science from Delhi University and MBA from Banaras Hindu University. He is also a Certified Associate of Indian Institute of Bankers.

HOW WE PERFORMED

Financial

₹ **23,337** crores
Balance Sheet
From ₹ 18,864 crore in FY20

₹ **15,388** crores
Total Advances(Gross)
+26% year on year

₹ **6,162** crores
Total Deposits (CASA)
+ 34% year on year

₹ **19,140** crores
Total Deposits
+21% year on year

₹ **218** crores
Net Profit
As against ₹ 12.72 crores in FY20

₹ **613** crores
Operating Profit
As against ₹ 281 crores in FY20

Customers

1,700,000+
Customers
+13% year on Year

310,000+
Net Banking Users
+55 % year on year

277,000+
Mobile Banking Users

Network

20 states/UTs
16 States + 4 UTs

512
Branches

318 ATMs

Compliance

84.89%
Provision Coverage Ratio
From 80% in FY20

21.37%
Capital Adequacy Ratio

19.96%
Tier I ratio

8.11%
Leverage Ratio

COVID IMPACT MITIGATION

THE BANK CONTINUES TO PRACTICE ALL COVID RISK MITIGATION INITIATIVES WHICH WERE IMPLEMENTED IN FY20. THIS INCLUDES PROTECTION OF OUR EMPLOYEES, CUSTOMERS AND BUSINESS RISK MITIGATION AND HAVING A BUSINESS CONTINUITY PLAN. IN CONTINUATION OF THE COVID IMPACT MITIGATION INITIATIVES, THE BANK HAS FURTHER STEPPED UP THE PREVENTIVE MEASURES AGAINST THE SECOND WAVE OF THE PANDEMIC.

Ensuring Business Continuity

Since the beginning of the outbreak in early FY 2020, CSB Bank has prepared itself to deal with exceptional situations. The Bank has set in motion its Business Continuity Plan, a precise system for protecting its employees while maintaining essential tasks and services both to retail and business customers. With its unique business model that reinforces financial strength and resilience, the Bank is able to support its employees and clients in overcoming these extraordinary circumstances.

Workforce Protection

The Bank continues to take all measures for the employee safety. Across its branches the employee response to safety guidelines is being monitored. After the second wave, with lock down imposed in most parts of the Country, work from home facility has been provided to employees to the extent as feasible without much discomfort to the Customers. To encourage minimal workforce at branches, staggered work shifts are also provided to the extent as possible.

Covid Impact on the workforce (As on 31st March 2021)

Total Work force	Tested positive	Recovered	Under Treatment/ Quarantine	Deaths
4180	324	310	13	1

Customer Engagement

Since the lockdown in March 2020, the Bank has been facing challenges in terms of branch operations. However by enhancing the digital options, the Bank could provide a safe, alternate mode of banking to its customers.

Customers have been educated to use mobile and net banking to ensure their safety. In FY21 the total channel transactions consisting of mobile and internet banking, debit cards & UPI are at ₹ 266.5 lakhs as against ₹ 170.3 lakhs in FY20.

Financial Stress

Advances against Gold Loan constitutes a major share in the Bank's credit portfolio. Due to the COVID outbreak since Q4 of FY 20, the stressed assets have marginally increased. The practice of accelerated NPA provisioning and standard asset provisioning on account of COVID was maintained. The COVID related standard asset provisions in excess of RBI requirement, amount to ₹ 89 crores.

COVID related and previous impact related rescheduling as on 31st March 2021 is ₹ 13.00 Crore mostly from the MSME segments. The Bank is in the process of recovering/ regularizing these stressed assets.

REVIEW BY MANAGING DIRECTOR & CEO

Dear Shareholders,

Despite challenging times never seen in a century, CSB's FY 21 performance has been encouraging, one of the best of its kind and we can very well relate it to the story of Chinese bamboo - a popular metaphor for sustainable business growth.

When the seed of a Chinese bamboo tree is planted, we don't see any outcome for almost 5 years, despite watering it every day. In those initial years lack of reward for the hard labour can be a trigger for getting disheartened and quitting. Those who persist, will see that on the 5th year the bamboo sprouts have started coming through the surface. After the first breakthrough, they grow with phenomenal speed, even few feet in a day. During the initial years when there was no visible outcome on the surface, root networks were growing forming a strong foundation for the future exponential growth.

In FY20 we had emerged from long years of subdued performance by streamlining our operations, infusing capital, filling skill gaps and strengthening the balance sheet. We could attract enough investor interest by changing our strategies to survive and stay on the course since 2016. From FY 21, we have commenced our journey towards growth and our stellar results give testimony to this. I am confident that in the years to come, CSB will become a formidable force in the banking sector by creating value for all its stakeholders.

COVID 19 Impact

The economy, especially micro, small businesses and service sector, was impacted by the COVID 19 pandemic. While the world has been gradually recovering from COVID 1.0, the second wave and the spread of stronger mutations of the virus has hit the ground negating the recovery gains. At many a place, the healthcare infrastructure is fully occupied with patients and they are unable to admit new critical cases leading to unfortunate casualties. In order to alleviate the spread, many states have declared partial or full lockdown. Vaccination drives are happening across the country. But vaccinating the entire population of the country is a massive challenge that the governments are facing. Both Central and State governments are collectively working on this and other nations are also supporting us to succeed in this critical task. Let us be optimistic that going forward, economy will recover and humanity will contain the virus with the help of science.

“ IN FY20 WE HAD EMERGED FROM LONG YEARS OF SUBDUED PERFORMANCE BY STREAMLINING OUR OPERATIONS, INFUSING CAPITAL, FILLING SKILL GAPS AND STRENGTHENING THE BALANCE SHEET. WE COULD ATTRACT ENOUGH INVESTOR INTEREST BY CHANGING OUR STRATEGIES TO SURVIVE AND STAY ON THE COURSE SINCE 2016. ”

C. VR. Rajendran
Managing Director &CEO

IN DEPOSITS AND ADVANCES FRONT, WE GREW 21% AND 27% RESPECTIVELY. CASA GREW BY 33% WHILE ADVANCE GROWTH WAS POWERED MAINLY BY 61 PER CENT GROWTH IN GOLD LOAN PORTFOLIO.

We were able to successfully surmount one of the most challenging times, with clear focus, prompt response to regulatory cues, coherent business strategy, digital push, technology support, strong processes, emphasis on business continuity planning and above all the dedication of our staff.

On FY21 Performance

Details of the financial performance has been highlighted in various chapters in this report, however let me take you through few highlights.

In deposits and advances front, we grew 21% and 27% respectively. CASA grew by 33% while advance growth was powered mainly by 61% growth in gold loan portfolio.

The Bank recorded an all-time high net profit of ₹ 218.40 crore in FY21 as against ₹ 12.72 crore in FY20, a whopping increase of 1617%. Our income too increased to ₹ 2,273.11 crore in FY21 from ₹ 1,731.50 crore in FY20. Interest income during the year was at ₹ 1872 crore as against ₹ 1510 crore in the previous year. Asset quality improved as the gross non-performing assets (NPAs) fell to 2.68% of the gross advances as of March 31, 2021 as against 3.54% by end of March 2020. In absolute value, the gross NPAs amounted to ₹ 393.49 crore, compared with ₹ 409.43 crore a year ago. Net NPAs also fell to 1.17% (₹ 168.81 crore) from 1.91% (₹ 216.94 crore)

- Net Interest Income of the Bank improved from ₹ 592 Cr to ₹ 941 Cr recording a growth rate of 58.94%.
- Treasury gains, Sale of PSLC, recovery of bad debts and growth in fee income helped to boost the Non Interest Income from ₹ 222 Cr to ₹ 401 Cr.
- Total staff cost for FY 21 amounted to ₹ 497 Cr with an increase of 50% y-o-y on account of increase in head count, the change in actuarial assumption on mortality, VRS, AS 15 provisions etc.
- Bank is holding an amount of ₹ 156 Cr as provision for NPA accounts over and above the RBI provisioning norms, as per the accelerated provisioning policy followed by the Bank. Further Bank is holding an additional standard asset provision amounting to ₹ 89 Cr in excess of the RBI requirements.
- CD Ratio (Net) of the Bank improved by 345 bps (71.98% to 75.43%).
- CASA Ratio of the Bank improved to 32.19 % from 29.17%.
- Provision Coverage Ratio of the Bank stood at 84.89%.
- Yield on advances improved from 10.56 % to 10.97%.
- Cost of deposits reduced from 5.91% to 5.07%
- NIM improved from 3.74 % to 4.81 % with an increase of 107 bps.
- CRAR ratio of the Bank is 21.37 % against the regulatory requirement of 10.875%.
- Cost to income ratio of the Bank is 54.31% vis a vis 65.53% on 31.03.2020.

Despite the challenges posed by the pandemic, we could achieve a historic milestone of opening 101 branches in this 101st year of Bank's existence. Out of these 101 branches, 92 branches were opened outside the home state to reduce the concentration risk in a single

DESPITE THE CHALLENGES POSED BY THE PANDEMIC, WE COULD ACHIEVE A HISTORIC MILESTONE OF OPENING 101 BRANCHES IN THIS 101ST YEAR OF BANK'S EXISTENCE. OUT OF THESE 101 BRANCHES, 92 BRANCHES WERE OPENED OUTSIDE THE HOME STATE TO REDUCE THE GEOGRAPHIAL CONCENTRATION RISK.

geography. The footprints were expanded mainly in to the states of Tamil Nadu, Andhra Pradesh, Telangana, Karnataka, Maharashtra and northern parts of the country.

Opportunities

In the external as well as internal environment, we have abundant opportunities for growth. At the organizational level we have people, processes and product capabilities to enhance the performance at the bank level. In terms of business per branch, today we are about 60% of the industry average. This leaves us with a potential to grow further by capitalizing on our newly gained operational capabilities.

As we have achieved the critical transformation of the Bank, we will now fully focus on growth in FY 22 and beyond. We are devoid of the instabilities which deterred our performance and growth in the past. Gold loans, Two wheeler loans, Agri loans, MSME and SME segment will continue to be in the main focus. Revised structure and policies are in place for SME vertical and the focus will be on select segments, customer priorities and value proposition. Retail team, will be working on improved product offerings and the related process framework with due focus on customer acquisition. While going digital will be the mantra, we also plan to add close to 200 branches to our network in FY 22 so that there is proper mix of brick and click banking. Though we may have to wait for a month or so to fully understand the impact of second wave of COVID 19, we are optimistic in our outlook to continue the good work in FY 22 as well.

Risks

Banking sector is known for its intrinsic risks. The corner stone of our transformation to a profit making bank is all about how we managed risks.

“WHILE GOING DIGITAL WILL BE THE MANTRA, WE ALSO PLAN TO ADD CLOSE TO 200 BRANCHES TO OUR NETWORK IN FY 22 SO THAT THERE IS PROPER MIX OF BRICK AND CLICK BANKING.”

As I mentioned, in the present environment, the external uncertainties might pose some risks and challenges. If you analyse the balance sheet, it can be inferred that we have made adequate provisioning buffers that will help us to face the unforeseen risks that may come in our way. Our capital and liquidity position is also very strong.

We have instituted prudent risk management controls, policies, and procedures that are critical for the long-term sustainable development of our business.

When concluding, I express my gratitude to our customers for reposing faith and banking on us. I extend my gratitude to the Chairman and esteemed members of the board, shareholders, customers, employees – past and present and well-wishers for their patronage. I also thank RBI, Central and State governments, partners, all other regulators and the general public for all the guidance and support we have been receiving especially during this challenging times.

Please continue to Stay Safe.

Thank you.

C. VR. Rajendran
Managing Director & CEO

STRATEGIES KPIs AND GOALS

> WE HAVE IMPLEMENTED STRATEGIC CHANGES IN OUR BUSINESS MODEL AS A FULL SERVICE NEW AGE PRIVATE SECTOR BANK. WE HAVE RE-ALIGNED OUR ORGANIZATIONAL SET-UP FOR EFFICIENTLY DRIVING OUR OPERATIONS AND BUSINESS STRATEGY, WHEREIN BRANCHES WILL BE RESPONSIBLE ONLY FOR DEPOSITS, CROSS SELLING, AND CUSTOMER SERVICING, AND ALL LOAN PRODUCTS WILL BE DRIVEN BY DEDICATED TEAMS, WITH EACH BUSINESS TEAM OPERATING AS A PROFIT CENTRE.

Strategy

Branch Distribution

Key Performance Indicators

101 branches opened in FY21.

500+ branches and 318 ATMs across 16 states and four union territories as on 31 March, 2021

Goals 2022 and beyond

- Plans to add close to 200 branches in FY 22 to our network.
- Attaining break even business by branches opened in FY 20 and FY 21.
- Rationalisation of unviable branches/turnaround of loss making branches will be in focus.

Strategy

Building a large customer franchise

Key Performance Indicators

For better customer reach the Bank expanded the branch networks and enhanced digital banking initiatives.

Increased the customers from 1.5 million in FY20 to 1.7 million in FY21.

Goals 2022 and beyond

- Retail team will be working on improved product offerings and the related process framework with due focus on customer acquisition.
- tracking average product per customer and ensuring improvement through emphasis on cross selling.

Strategy

Stabilising the existing verticals and expanding new verticals

Key Performance Indicators

The existing asset verticals are stabilised now.

Gold Loan Advance improved by 61.3% year on year. Advances to Agri and MFI loans increased 252% year on year. Two wheeler business also grew by 119%.

Goals 2022 and beyond

- Gold loans, Two Wheeler loans, Agri loans, MSME and SME will continue to be in the main focus. In the long run, it would be our endeavour to position ourselves as an SME bank. We will be following a carefully designed and tailored approach towards this objective.
- Take over of MSME book by SME team.

Strategy

Maintaining a robust capital and liquidity base

Key Performance Indicators

Bank's capital position continues to be strong with a CRAR of 21.37% and a leverage ratio of 8.11%. Liquidity position is ultra-comfortable with an LCR of 210% as on 31.03.2021.

Goals 2022 and beyond

To maintain the capital and liquidity position at a comfortable level well above the regulatory prescriptions.

Strategy

Building a performance culture

Key Performance Indicators

CSB's key managerial personnel, members of Board & other senior employees have strong reputation within the industry, extensive industry relationships and wide-ranging experience in the banking and finance industry.

Goals 2022 and beyond

- The key enablers towards building the performance culture will be skill building through various platforms, better alignment of learning objectives with business needs, roll out of KPIs/ Scorecards and performance based incentives.
- Ensure proper capturing of revenue, cost and profit metrics in the performance scorecard of all employees.

Strategy

A strong Balance Sheet

Key Performance Indicators

Balance Sheet size grew by 24% from ₹ 18,864 Cr in FY20 to ₹ 23,337 Cr in FY21 with tightened risk management framework and adequate and additional provisioning for the external uncertainties.

Goals 2022 and beyond

The key driving factor for the coming years will be growth which is driven by profitability and sustainability.

OUR HUMAN CAPITAL

Human Resource Development at CSB Bank is in alignment with the Bank's vision and mission to be a leading bank striving to excel in bringing products that satisfy the needs of targeted client segments, backed by excellent service – through our branches and technology driven initiatives in a compliant and regulated manner.

Our people centric approach is engraved on our vision mission statement which says " For our employees, we want to create a culture of pride – driven by performance and productivity that should eventually result in sustainable growth in business and deliver superior returns to our Shareholders."

Talent Acquisition and Skill Development

Bank's talent acquisition is in line with the Bank strategy to expand its branch network as well as to transform itself to a new gen profit making entity. The total number of employees in the Bank during the end of FY 2021 is 4180 up from 3204 in the previous financial year end. Rigorous talent acquisition in the recent years, especially in the fields of Sales portfolios such as CASA, Gold, etc., has contributed towards the increase in total employee count.

The Bank's own "Institute of Learning and Development" (ILD) at Ollur, Thrissur provides training to its employees as per an annual training calendar. The Bank also avails training offered by renowned institutions like National Institute of Bank Management, Pune; IDRBT, Hyderabad; Southern India Banks' Training College (SIBSTC), Bangalore; etc. Due to the threat of COVID 19, classroom trainings had to be suspended. However, our ILD was fully equipped to handle this and training programmes were conducted through online mode instead. Arrangements were made so that employees could attend the training sessions from their own locations.

The L&D Department achieved a remarkable milestone by getting the **ISO 9001:2015 certification** awarded during the year.

Grade system through an objective job evaluation methodology, aided by AON Hewitt is in progress This would ease the process of career planning and progression.

Another significant step in the L&D area was the decision to set up a training centre under the **Deen Dayal Upadhyay Grameen Kaushalya Yojana (DDUGKY)** scheme of the Government of India. Through this initiative, the Bank is looking forward to receiving trained and work ready young employees on a regular basis.

Course fee and incentives are given to employees for passing various examinations / courses conducted by the Indian Institute of Banking & Finance (IIBF).

215

215 Training Programs

(128 online + 14 Classroom + 73 External)

200+

Online + Classroom programmes for Leadership Development

6066

Participants

Leadership Development

Leadership Development is the key enabler at CSB Bank to accelerate transformation. In FY21, CSB Bank further strengthened its leadership with three C-suite hires as well as six hires at the senior management level.

200 + online and classroom training initiatives and development programs were rolled out by the L&D team during FY21 for employees at various levels with an aim to create a robust leadership pipeline.

Technology Adoption

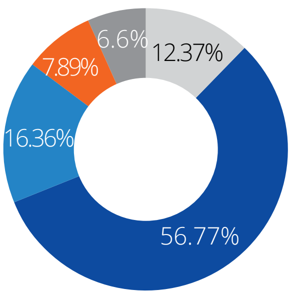
In the FY 2021 the Bank further enhanced its HRMS capabilities. The Bank's HRMS which has already gone live encompasses, leave module, HRIS, attendance module and PMS module. Further new modules such as training, confirmation, transfer, promotion, exit, recruitment, on boarding, reimbursements of business claims, etc., have been introduced during FY21. Additionally, a feature for internal communication viz., 'Zippie' and a chat bot named 'Jinie' have also been launched.

Employee Diversity

2.5: 1

Male: Female Ratio

Age of employees



As part of the Bank's strategy on talent management a people development programme was initiated under the title ARISE. Performance score cards for objective assessment at individual, unit and business / functional levels were created in order to give employees clarity on what is expected from the assigned roles. Two way performance feedbacks was initiated between the management and employees/ HODs twice in a year to enable the organization to better anticipate and meet the needs of the employees.

As an outcome of the ARISE FY20-21 annual performance appraisal process critical employees were provided opportunities in elevated roles and levels basis their performance. Additionally, the annual increments were supplemented by salary correction basis market for identified employees.

FINANCIAL HIGHLIGHTS

TOTAL ASSETS (₹ In Crores)

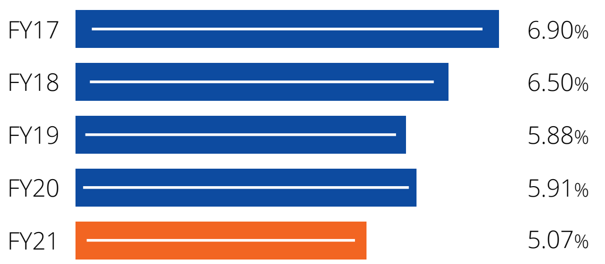
TOTAL INCOME (₹ In Crores)

TOTAL ADVANCES (NET) (₹ In Crores)

TOTAL DEPOSITS (₹ In Crores)

YIELD ON ADVANCES

COST OF DEPOSITS



NET INTEREST INCOME (₹ In Crores)

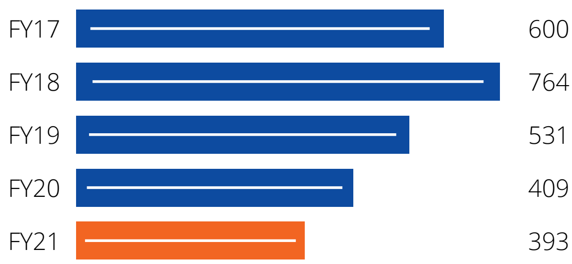
CRAR

PROVISION COVERAGE RATIO

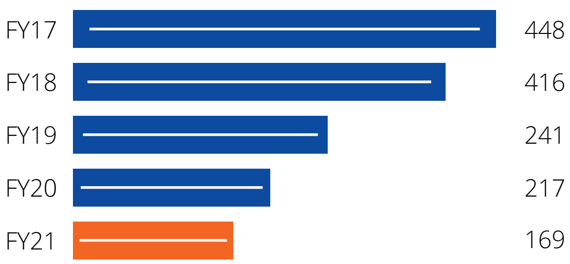
COST TO INCOME RATIO

NIM

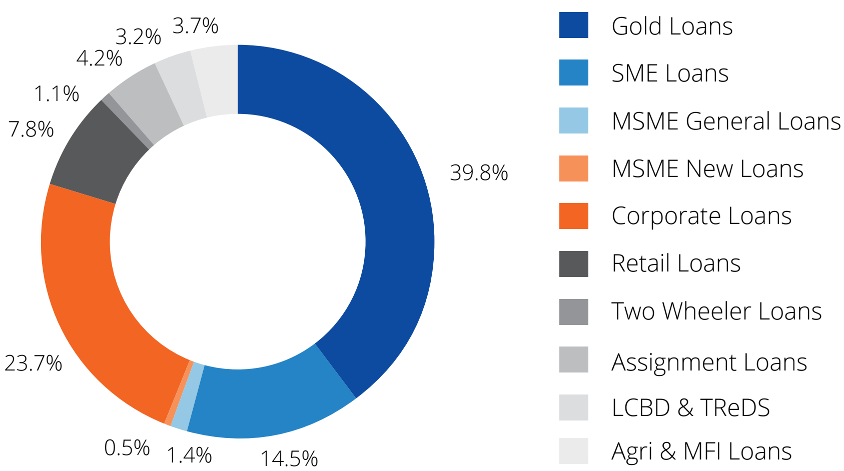
GROSS NPA (₹ In Crores)



NET NPA (₹ In Crores)



NET PROFIT (₹ In Crores)



REVIEW BY PRESIDENT

Key Strategies

One of our strategic priority is expanding Bank's CASA base through new customer acquisitions, product propositions and deepening our relations with our existing customers. Increasing Family Banking and product penetration are key drivers behind CASA.

Bank is also planning to offer Health Insurance in tie with Insurance Companies. On investment front, bank is integrating a tech platform for Mutual Fund investments. Online Broking facility is also being strengthened with our partners. Our customers will have multiple options of investments during the year. We are strengthening our product suite by offering Housing Loans, Credit Card, Online Broking, Online Mutual Fund, Health Insurance and Payment Terminals to our customers.

Geographical Footprints

In FY22 we have definite plans to further expand our national footprints by expanding our branch network. Bank plans to add 200 new branches to its existing network of 512.

Digital Banking

It is our endeavor to use technology for improving our processes and to deliver a new age banking experience to customers. Some of the new digital banking initiatives are:

- Account opening process has been digitized with options for customer to apply as well as branch staff to facilitate the process
- Video KYC facility
- Online investment into Mutual Funds
- Online platform for Insurance products

NRI Banking

We are in the process of setting up NRI Branches across key metros and markets with high concentration of NRIs. These branches will give differentiated services for NRIs by leveraging technology. The Bank will also work on setting up a world class remittances platform along with providing PIS offering to the clients. Further, we would be leveraging tie ups with domestic and international institutions for acquiring new NR relationships.

Retail & SME Banking

Gold Loans constituted 40% of total advances as on March 31, 2021 and continue to be a mainstay for the Bank on the advances side. Our Key strategy of 'penetrating in to rural and urban markets, mainly at unbanked areas presently dominated by unorganized players' has worked well for both on new business acquisition and yield. We have also enabled multiple channels for gold loan origination which has contributed 61% of the growth during FY 21. NTB (New to Bank customer) strategy has also helped us to grow our gold loan portfolio and with the increased network of branches, the Bank will continue to retain its focus in growing the Gold Loan Book.

For Retail and SME Business, a differentiated focussed approach is being instituted, which is in line with the overall strategy of the Bank for driving credit growth along with maintaining superior credit quality:

- Creating a strong risk framework for acquiring new customers
- Proactively working towards customer friendly solutions to prevent situational delinquencies
- Managing the NPA and Loss numbers within permissible limits
- Delivering operating efficiencies and reduce costs
- Reviewing Industry insights and working on product offering pertaining to identified recession proof Industry

The Bank would be introducing wider range of products, to have larger share of customers' wallet and to meet their needs. Such products would be governed by structured product programmes specific to the business, which will detail out the criteria on customer selection and underwriting standards. We would focus on client level profitability by working closely with customers through a robust relationship management structure that would focus on portfolio hygiene and wallet share. The Bank would also identify key markets where it wants to penetrate on the SME & Retail Asset side with superior product features.

The Bank, on its new journey, towards building a strong, high quality, scalable Retail and SME Book will be driven by below key objectives:

- Network and Channel optimisation to leverage Bank Branch Network that works on Hub and Spoke models and create Product offering based on market categorisation

OUR KEY STRATEGY OF PENETRATING IN TO RURAL AND URBAN MARKETS, MAINLY AT UNBANKED AREAS PRESENTLY DOMINATED BY UNORGANIZED PLAYERS HAS WORKED WELL FOR BOTH ON NEW BUSINESS ACQUISITION AND YIELD.

- Partnership model with Fintech's & Business Correspondents
- Product and Segment based approach that are aligned to the market/opportunity
- Simplify process & policy to improve customer experience
- Enable technology as a tool to help business
- Create robust analytics & data support to help business

We will be launching credit card for our customers this financial year through multiple fintech partnerships. This will be a huge boost to our retail consumers which will complete the retail product bouquet for the customer and will also help the Bank to fulfil all the Banking needs of the customer which will help in customer retention.

We have also tied up with HDFC Ltd to provide Home Loans at attractive rates to our affluent, premium and HNI customers. This will help us in providing full product suite offerings and retain the relationship value of these valued customers through EMI debits in the CSB savings accounts of these customers for which necessary balance need to be maintained in the Bank. This will also help us in gaining larger wallet share from these customers.

Thank you.

Mr. Pralay Mondal
President - Retail, SME, Technology and Operations

THE BANK WILL ALSO WORK ON SETTING UP A WORLD CLASS REMITTANCES PLATFORM ALONG WITH PROVIDING PIS OFFERING TO THE CLIENTS. FURTHER, WE WOULD BE LEVERAGING TIE UPS WITH DOMESTIC AND INTERNATIONAL INSTITUTIONS FOR ACQUIRING NEW NR RELATIONSHIPS.

Pralay Mondal
President - Retail, SME, Technology and Operations

RETAIL BANKING

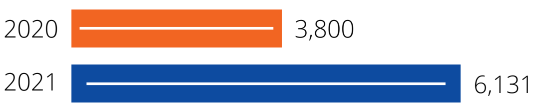
THE BANK OFFERS A BROAD RANGE OF RETAIL LOANS, DEPOSIT AND WEALTH MANAGEMENT PRODUCTS AND SERVICES ACROSS INDIA AS WELL AS FOR NON RESIDENT INDIANS. INDIVIDUALS AS WELL AS SMALL BUSINESSES ENCOMPASS THE RETAIL CUSTOMERS.

Deposit products comprise of current accounts, savings accounts, fixed deposits, recurring deposits, and corporate salary accounts. For enabling fund transfer services required by NRI customers, the Bank has remittance and rupee drawing arrangements with major exchange houses in the Middle East. Apart from that it also has tieups with major money transfer agents, which enhances its capability to provide inward remittance services to the customers and strengthens its NRI business. For the benefit of the customers the Bank also has bancassurance tie ups with leading life and non-life insurance companies. In the retail loans sector, the Bank offers a variety of personal and business loans including, loans against gold jewellery (Gold Loans), two wheeler and motor vehicle loans, housing loans and overdrafts on mortgage/ hypothecation/pledge, small business loans (MSME loans), agricultural loans and microfinance.

How We Performed in FY21

TOTAL RETAIL LOANS (in ₹ Crores)

GOLD LOANS (in ₹ Crores)



RETAIL LOAN PORTFOLIO IN FY21

Gold Loans 76%
Agri & MFI 7%
Retail -Others 15%
Two wheeler 2%

Gold Loans:

Advances against Gold Ornaments and Jewellery accounted for about 40% per cent of the Bank's gross advances in FY21 as against 31 per cent as at December-end 2019. As an outcome of banks continued efforts to increase its branch footprints across the country, during the year the gold advances sans Kerala increased to 63% from 57% in FY20.

Number of Gold Accounts

4.92 lakhs

+ 21% year on year

LTV

83 %

NPA

0.69 %

SME BANKING

THE BANK WILL BE WORKING ON IMPROVED PRODUCT OFFERINGS AND THE RELATED PROCESS FRAMEWORK WITH DUE FOCUS ON CUSTOMER ACQUISITION. DURING THE YEAR THE BANK ALSO RATIONALISED THE SME PORTFOLIO BY EXITING FROM THE UNVIABLE ACCOUNTS.

A specialized SME team was established by the Bank to strengthen marketing in order to source additional SME business and drive further penetration. As of March 31, 2021, out of the total 388 SME cluster areas spread across India, as identified by UNIDO, the Bank has presence in 203 such clusters and further intend to expand SME business in the remaining clusters, specifically in the states of Tamil Nadu, Andhra Pradesh, Telangana, and Gujarat. The Bank has dedicated relationship managers with regard to high value SME loans, to engage with customers on a continuous basis, enabling to cater to their financial needs in a customized manner. The Bank offers a wide range of products under SME banking which includes term loans, working capital loans, invoice/bill discounting, letters of credit and bank guarantees.

Revised structure and policies are in place for SME vertical and the focus will be on select segments, customer priorities and value proposition.

How We Performed in FY21

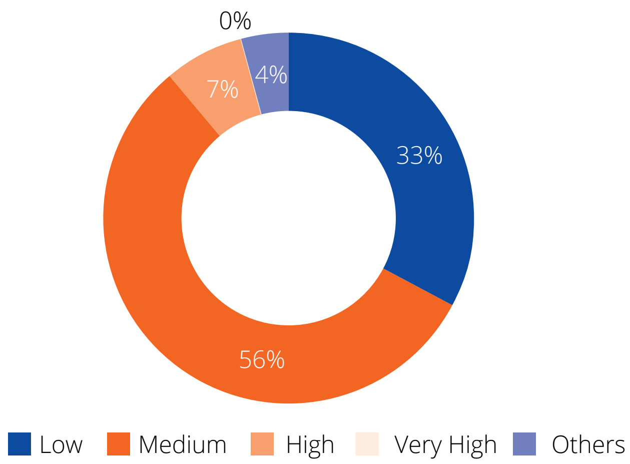
Total SME Loans

₹ **2,239** Crores

+ 8.6% year on year

TOTAL SME LOANS (in ₹ Crores)

SME LOANS INTERNAL RATING (Q4 FY21)



CORPORATE BANKING

Under corporate banking business, Bank caters to large and mid-size corporates and other business entities. The corporate banking group at Bank caters to the needs of corporate entities and provides a range of commercial banking products and services to corporates. This includes regular banking services, corporate accounts, salary accounts, cash management services, short term funding including working capital finance, long term solutions including term loans and trade finance services.

Our Bank has also set up a centralized corporate banking team to work with other banks that arrange syndicated loans.

₹ **3,653** Crores
FY21 Corporate Loans

TREASURY MANAGEMENT

Our treasury operations primarily consist of statutory reserves management, asset liability management, liquidity management, investment and trading of securities, and money market and foreign exchange activities. Our treasury operations are aimed at maintaining an optimum level of liquidity, while complying with the RBI mandated CRR and SLR. We maintain SLR through a portfolio of dated securities and treasury bills of the Government of India, state development loans, and other securities as may be permitted by the RBI from time to time, which we actively manage to optimize yield and benefit from price movements. We are also involved in the trading of securities and foreign exchange, and investment in sovereign debt instruments, commercial papers, mutual funds, certificates of deposits, bonds, and debentures to manage short-term surplus liquidity and to further optimize yield and generate profits thereon.

₹ **6,126** Crores
FY21 Treasury Investments

DIGITAL BANKING

CSB's digital strategy focuses on acquiring customers, enhancing customer experience and making internal business operations more efficient. We currently provide a range of options for customers to access their accounts, including internet banking and mobile banking and it has also launched a mobile application BHIM CSB Pay based on UPI platform.

During the year the Bank could overcome the impact of covid on day to day banking needs of the customers with a plethora of digital banking options. The bank increased reach of digital usage among its customers through education and handholding.

The pronounced digital push yielded good result during the year and the digital transactions reached almost 78% of the total transaction numbers. The Bank also launched whatsapp banking during the year. Introduction of online account opening portal enhanced the customer convenience and customer experience and resulted in better account openings. The Bank is continuously working on improving the channel activation which are beneficial to the customer as well as the Bank on account of reduced transaction cost. During the year the Bank launched CSB Wink, an online account opening platform, where the customer can open an account conveniently.

Key Developments during the year

310,000+
Netbank users

277,000+
Mobile Banking Users

74.33%
Channel Transactions

584,000+
Debit Cards

CORPORATE INFORMATION

Board of Directors

Madhavan Aravamuthan
Chairman

C. VR. Rajendran
Managing Director & CEO

Madhavan Menon
Non-executive Director

Sumit Maheshwari
Non-executive Director

Bhama Krishnamurthy
Independent Director

Sharmila Abhay Karve
Additional Director
(Non-Executive & Independent)

Sudhin Choksey
Additional Director
(Non-Executive & Independent)

Sunil Srivastav
Additional Director
(Non-Executive & Independent)

Key Managerial Personnel

C. VR. Rajendran
Managing Director & CEO

B. K Divakara
Chief Financial Officer

Sijo Varghese
Company Secretary

Stock Exchanges

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001.
Scrip Code: 542867

The National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor,
Bandra-Kurla Complex,
Bandra (E), Mumbai 400051.
Scrip Code: CSBBANK

Corporate Identity Number

L65191KL1920PLC000175

Senior Management Team

Pralay Mondal
President - Retail, SME, Technology and Operations

Narendra Kumar Dixit
Head - Retail Banking

P V Antony
General Manager – Accounts

T Jayashankar
Head – HR

K Rayar
Head – Treasury

Vuppala Srinivasa Rao
General Manager – IT

Vincy Louis Pallissery
Chief Compliance Officer

Arvind K Sharma
Chief Risk Officer

Ganesan V
Head - Credit Monitoring & Recovery

Harsh Kumar
Chief Human Resource Officer

Neena Anand
Head – Operations

Arun Kumar Ramchandran
Head – Audit

Shyam Chandher M
Head – SME & NRI

Mylsamy P
Chief Vigilance Officer

Sreelatha M
Head Strategy & Planning

Manish Agarwal
Chief Credit Officer - Retail & SME Segment

Rajesh Choudhary
Chief Technology Officer

Registered Office

CSB Bhavan,
Post Box No. 502,
St. Mary's College Road,
Thrissur - 680 020, Kerala, India.
Telephone: 0487 2333 020
Fax: 0487 2338 764
Email: board@csb.co.in
Website: www.csb.co.in

Registrar & Share Transfer Agents

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

Statutory Auditors

B S R & CO. LLP,
5th Floor, Lodha Excelus, Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi,
Mumbai- 400011 Maharashtra.
Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Secretarial Auditors

SVJS & Associates
Company Secretaries
65/2364 A, Ponoth Road,
Kaloor, Kochi- 682 017.
Kerala, India.
Telephone: +91 484 2950007, 2950009
Email: svjsassociates@gmail.com

International Securities Identification Number (ISIN)

INE679A01013

CRISIL Rating

Deposits issue Programme	:	CRISIL A1+
Tier II Bonds issue Programme	:	CRISIL A/ Stable

CSB Bank Limited, Regd. Office: CSB Bhavan, St. Mary's College Road, Thrissur, Kerala 680 020
Tel: +91 487 2333020 | Fax: +91 487 2338764 | Email: board@csb.co.in | CIN: L65191KL1920PLC000175