

Sustainability Report

Volume 1



**TRUST
SUSTAINS**

A tribute to our longstanding customer



OUR MISSION



SHAREHOLDER VALUE AS THE FOCUS

To demonstrate high corporate governance standards that protect and enhance shareholder interests in the journey to achieving short and long term business goals



CUSTOMERS AT THE HEART

To engage and understand customer needs, provide best in class products and services, be responsive and quick in resolving queries - resulting in more customer delight and peace of mind.

OUR VALUES - PREET



To our ideals beyond numbers; to our partners,
customers and employees who share this
wonderful journey.

Thank You!



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The Purpose Of This Report

This report is a synthesis of how RBL Bank is leveraging sustainability through its initiatives:



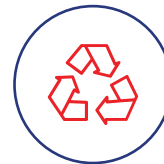
Financial Performance

Garnering robust financial performance balanced with corporate governance and commensurate risk management practices



Talent Management

Attracting, retaining and nurturing talent



Environment & Social Risk Management

Embedding Environmental and Social Risk assessment as a part of Bank's processes



Agri-Business Initiatives

Promoting sustainable and energy efficient agri-business initiatives



Inclusive Banking

Developing banking solutions for the unbanked and under-banked sections of society



Corporate Social Responsibility

Activities focused on economic empowerment of women, and sustainable livelihood creation

The goal of RBL Bank's sustainability effort aligns with its mission statement – that is to continue to enhance value creation in society through the five pillars – **Human Capital, Society, Finance, Knowledge and Environment**



About RBL Bank

RBL Bank is one of India's fastest growing private sector banks with an expanding presence across the country.

The Bank offers specialised services under six business verticals: Corporate and Institutional Banking, Commercial Banking, Branch and Business Banking, Agri-business Banking, Development Banking and Financial Inclusion, Treasury and Financial Markets Operations.

As on 31st March 2018, the Bank services over 4.5 million customers through a network of 265 branches, over 197 banking outlets and 388 ATMs spread across 20 Indian states and Union Territories. Over the last few years, RBL Bank has earned recognition in various national and international forums:

2017

- **Ernst & Young (EY) Entrepreneur of the year**
(Financial Services category)
- **India Talent Management award**
Awarded at CNBC TV18 India Business Leader Awards (IBLA)
- **Fastest Growing Small Bank**
Business Today - KPMG Best Bank Awards
- **Best Growing Small Bank**
Awarded by Business World Best Bank Survey
- **Financial Services Company of the year**
Awarded at the VCCircle awards
- **Best IT Risk & Cyber Security initiative**
Best payment initiative
IBA Banking Technology Awards

2018

- **Most Promising Company of the year**
Awarded at the CNBC TV18 India Business Leader Awards
- **Best Bank of the year**
Awarded at the Outlook Money Awards
- **Best Small Bank of the year**
Awarded at the Business Today Banking Awards
- **High Growth - Private Sector Bank**
Awarded at the Dun & Bradstreet Banking Awards
- **Best Small Bank**
Awarded at the Business World Magna Awards
- **Fastest Growing Bank**
Awarded at the Business World Magna Awards

Investors like International Finance Corporation (IFC) CDC Group, Asian Development Bank (ADB) and other marquee private equity (PE) funds have invested in RBL Bank.

RBL Bank's market capital as on 31st March 2018 was approximately ₹ 23,500 crore.

RBL Bank is a certified "Great Place to Work" consistently since the past few years, and by 2020, aspires to be amongst the top 10 great places to work in the BFSI sector. The Bank is focusing on building an organisation, which continuously innovates, nurtures and develops its people to accomplish this goal. It ensures a great workplace environment, which supports and enables each employee to realise his/her full potential.

RBL Bank is listed on both NSE and BSE.



265 branches, over 197 banking outlets, 388 ATMs and 603 BC Branches. We are extending our reach to truly becoming 'Apno ka Bank'.



As a growing business and responsible corporate citizen, we are committed to creating a positive impact in the lives of all our stakeholders.

"Sustainability is not just a catchphrase for RBL Bank" - Vishwavir Ahuja

Dear Stakeholder,

I am delighted to present RBL Bank's Sustainability Report – Volume I.

As a growing business and responsible corporate citizen, we are committed to creating a positive impact in the lives of all our stakeholders, be it investors, customers, employees or the community around us.

RBL Bank's sustainability efforts today are woven around these five pillars – Environment, People, Finance, Society, and Knowledge. These pillars resonate with the famous Triple Bottom Line principle of **People, Planet** and **Profit**.

In this report, you will read about our efforts in creating an impact on **'People's'** lives. These include nurturing human capital through the RBL-Manipal Learning Academy that creates future-ready banking professionals. Successful candidates are placed at RBL Bank, fostering symbiotic growth for themselves and the Bank.

Umeed 1000 is another example. This annual cyclothon raises funds for the education of underprivileged girls of Udbhav School located inside Hyderabad's largest slum.

We have also worked consciously to create a workplace environment that is inclusive and fun-filled. In terms of gender-diversity, the percentage of women employees has doubled. RBL Bank has also been acknowledged as a Great Place to Work, and by 2020 aspires to be amongst the top 10 great places to work in the BFSI sector.

The second guiding principle is **'Planet'**. An example of our commitment to environmental sustainability is the agricultural loans.

Laxman Pansare, a small farmer from Belgaum, Karnataka, obtained a loan from RBL Bank towards installation of solar pump-sets. The solar pump-set helped Mr Pansare to irrigate even during power cuts, reducing his power bill and increasing crop productivity by 20-25%.

The final component is **'Profit'**. It quite simply means creating economic value for our shareholders, customers and the community that RBL Bank is a part of. Here you will read about customers like Dilip Yadhav and how MSME loans gave a much needed push to his agarbatti business, and why global shareholders like the CDC Group, Asian Development Bank (ADB) and other marquee private equity (PE) funds have invested in RBL Bank.

Running a successful business cannot be a narrowly focussed top or bottom line affair. Pillars and bottom lines are good benchmarks to measure our efforts against but cannot be ends in themselves. What really matters at the end of the day is the impact they leave behind, even if it is one life at a time.

We firmly believe that through our sustainability efforts, we are building trust and respect among our customers, employees and partners. This truly helps make our vision of being apno ka bank a reality.

Yours truly,



Vishwavir Ahuja
Managing Director & CEO



Our Vision



BANK OF CHOICE

To be the preferred choice for the banking needs of our customers

CREATING AND NURTURING ENDURING RELATIONSHIPS

To create and build lasting partnerships with all our customers based on full disclosure and transparency

TRUST AND RESPECT OF OUR STAKEHOLDERS

To engage and ensure that all our stakeholder commitments are fulfilled, while working as a team

CUSTOMERS AT THE HEART

To engage and understand customer needs, provide best-in-class products and services, be responsive and quick in resolving queries - resulting in true customer delight and peace of mind

EMPLOYEES AS THE PILLAR

To provide an enabling work culture, where career aspirations can be realised through consistent performance and demonstration of the Bank's core values and beliefs

COMMUNITY AS THE CAUSE

To deliver robust and cost-effective banking services that promote financial inclusion, catalyse growth and reduce social inequalities

SHAREHOLDER VALUE AS THE FOCUS

To demonstrate high corporate governance standards that protects and balance stakeholder interests in the journey to achieving short and long-term business goals

Our Mission



APNO KA BANK

A BANK YOU
CAN CALL
YOUR 'OWN'

RBL BANK
apno ka bank





Our Values
'PREET'



PROFESSIONALISM

To conduct our duties with good judgement and in good faith

RESPECT

To be sensitive and responsible for what we say and do

EXCELLENCE

To act in a manner that earns the trust and admiration of others

ENTREPRENEURIAL

To be enterprising and take ownership of our actions

TEAMWORK

To be successful together

Our Sustainability Framework

We periodically analyse industry trends, analysts' reports and independent research to understand the emerging issues that matter most to our stakeholders – including regulators, shareholders, customers, communities and employees – and to the Bank.

Based on this, the Bank has identified Five Pillars of Sustainability.



From stakeholder feedback, and analysis of emerging trends, risks and opportunities, the Bank has identified material aspects—its five pillars of sustainability.

RBL Bank's Five Pillars of Sustainability



HUMAN CAPITAL

The Bank's policies encourage diversity and inclusion to ensure that our workforce has fair representation from all sections of the society.

Attracting and retaining quality workforce will help the bank to develop superior products and services and serve our stakeholders better.



KNOWLEDGE

The Bank believes it is imperative to nurture and continuously up-skill its employees to help them in their career prospects and to become a more productive and efficient organization.

The Bank has partnered with an educational institution to enlarge the talent pool for the banking industry.



SOCIETY

The Bank believes in the entrepreneurial potential of people. By accessing formal finance they could create jobs, enhance their standard of living and benefit the economy at large.

A large segment of India is either under-banked or completely unbanked. RBL Bank has designed products that specifically cater to the needs of this segment.

The bank also engages with its borrowers to mitigate social risk from their operations.



FINANCE

The Bank has robust Corporate Governance, Risk Management and Cyber Security Policies which safeguard customer privacy and garner stakeholder trust.

The Bank aspires to provide personalized services to our clients. These are delivered seamlessly through multiple channels.

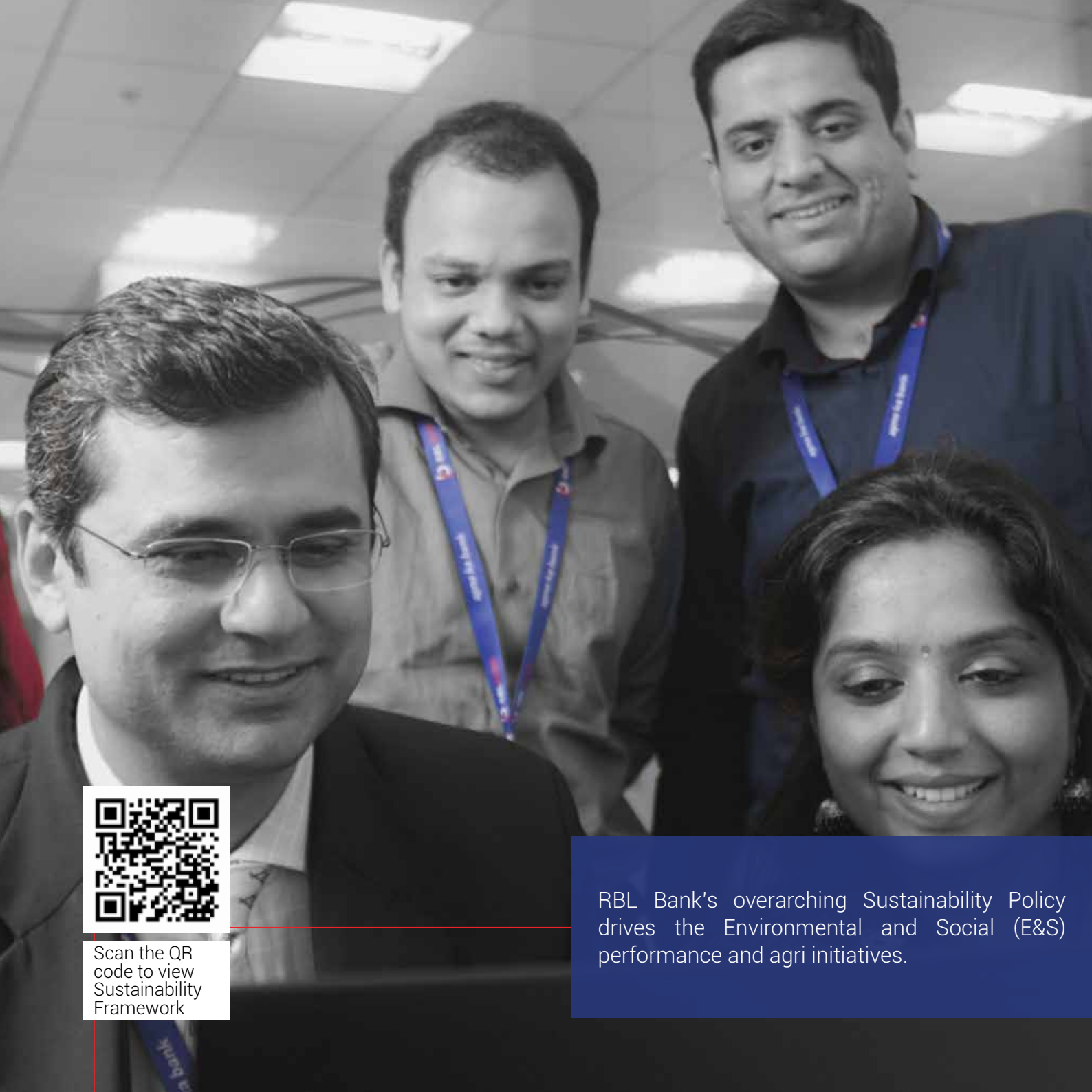
The bank has instituted an effective complaint redressal mechanism which ensures customer grievances are resolved in a timely manner.



ENVIRONMENT

The bank promotes sustainability through responsible lending practices and encourages sustainable agri-business initiatives.

The Bank also engages with its borrowers to mitigate environmental risk from their operations.



Scan the QR
code to view
Sustainability
Framework

RBL Bank's overarching Sustainability Policy drives the Environmental and Social (E&S) performance and agri initiatives.

Policy Framework

RBL Bank is firmly committed to Sustainability - through its products, processes and actions. Key policies that help RBL Bank to design processes and align actions towards sustainability include the Sustainability Policy and CSR Policy. Brief descriptions of these are provided below:

Sustainability Policy

RBL Bank's overarching Sustainability Policy drives Bank's Environmental and Social (E&S) performance.

The Sustainability Policy mandates that all eligible transactions of the Bank are screened for E&S risks - with an underlain objective to identify material and potential environmental, occupational health and safety, social and governance related risk associated with lending proposals and to mitigate them.

Mainstreaming of unbanked and under-banked communities through appropriate financial inclusion products and increasing financial literacy is another key area explored by the Sustainability Policy. The Bank has conducted financial literacy programmes targeted at economically marginalized sections of society in several states across India.

Another key area addressed by the Sustainability Policy is sustainable agri initiatives, which promotes products line micro-irrigation, solar pump-sets and replacement of older, energy inefficient pump-sets with new pump-sets.

*Please visit our sustainability framework page
<https://www.rblbank.com/sustainability-framework>*

Key objectives of the Sustainability Framework includes:

- Codifying Environmental & Social (E&S) objectives, like offering new products that address sustainability and incorporating E&S risk considerations into all financing activities.
- Communicating E&S expectations to all staff, clients and external stakeholders, and improving the overall E&S performance through enhanced risk management and a commitment to continually improve the Bank's ability to identify E&S risk
- Excluding financing clients whose business activities do not meet the Bank's principles. The Bank has adopted the IFC Exclusion List
- Development of financial products and services that enable more sustainable agri practices and results in resource conservation/ efficiency.
- Running financial literacy and inclusion programme for marginalized, economically weaker and business-wise less attractive sections in various States
- Development and delivery of financial products and services that enable more sustainable agricultural practices and results in resource conservation/ enhancement of resource efficiency

CSR Policy

RBL Bank works toward creating value in the society and community in which it operates with the goal of promoting sustained growth for society and the community as a whole.

The Bank's activities, guided by its Corporate Social Responsibility (CSR) Policy, focus on providing sustainable livelihood through education, preventive healthcare and women empowerment to beneficiaries in poor, marginalized and vulnerable sections of the society.

In this direction, RBL Bank has invested in rural development projects, improved farming techniques and promoted water conservation. Through various initiatives, the bank has helped promote social goals including gender equality, senior healthcare and primary education.

Key objectives of RBL Bank's CSR Policy

- To inculcate at all levels of the organization a commitment to operate in an economically, socially and environmentally sustainable manner while also acknowledging the interests of stakeholders
- To involve RBL Bank in programs that provide lasting effect to the maximum number of people, positively affecting the economic wellbeing and overall standard of living for the local populace

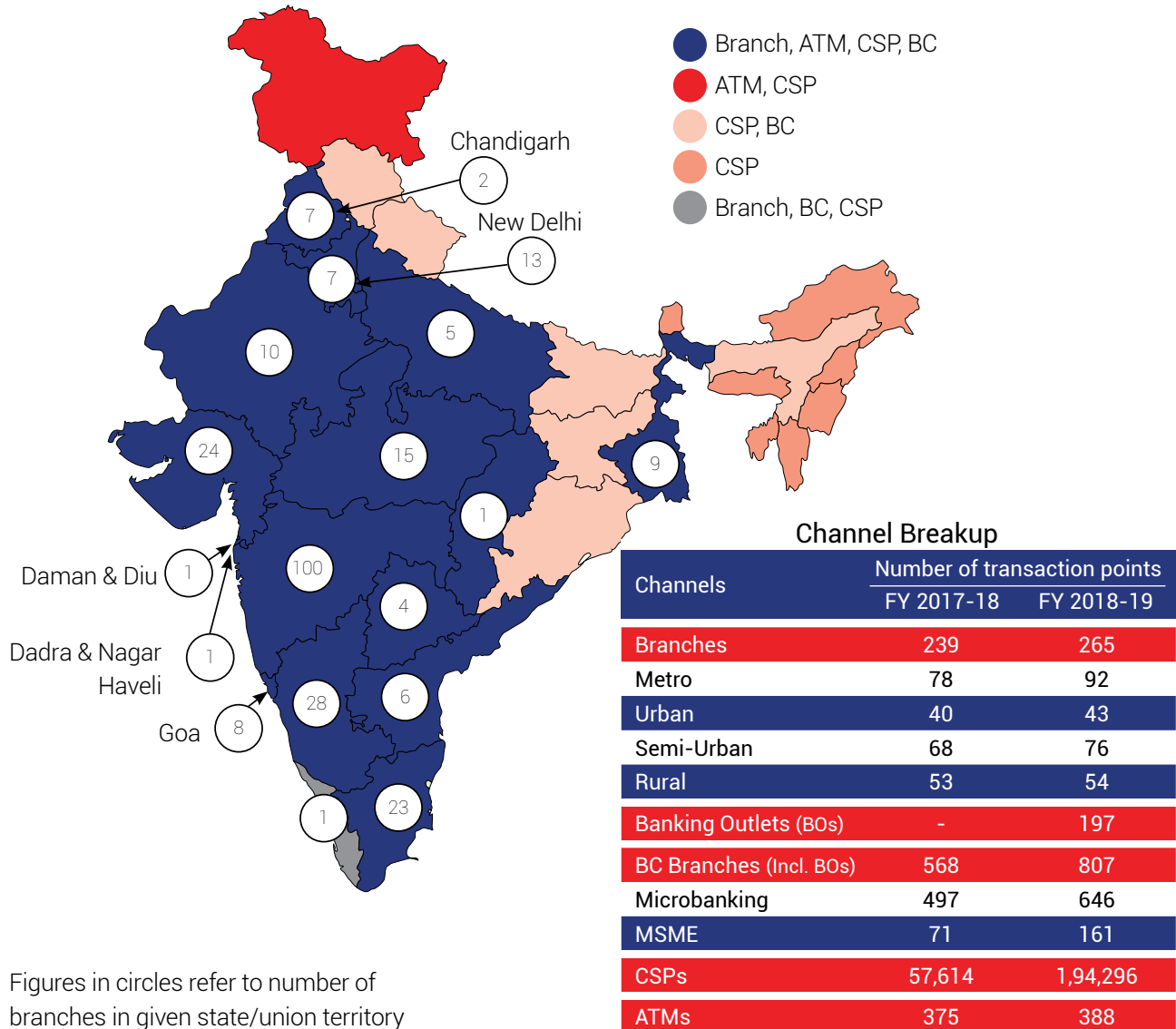
- To reinforce a positive socially responsible image and generate through its CSR activities, goodwill for RBL Bank as a corporate entity.
- To align with broader developmental goals as they relate to skill enhancement, entrepreneurship development and gender sensitivity

Our CSR policy can be viewed at
<https://rblbank.com/pdfs/fi/csr-policy-rbl-bank.pdf>



Scan the QR
code to view
the CSR Policy

Impact Zone



Trust Sustains

A tribute to our longstanding customer

The story of Madhukar Deshinge, one of RBL Bank's longstanding customers from its formative years in Kolhapur, Maharashtra, personifies what sustainability really means to us.

Mr. Deshinge, an 84-year-old patriarch of a closely-knit family of 11, started his relationship with RBL Bank (then known as Ratnakar Bank) in 1970. A civil engineer by training, Mr. Deshinge, started his own civil infrastructure construction business after retiring from a government job.

Over the next decade and a half, his business grew from strength to strength, because of his focus and commitment. He also discovered a partner and a fellow traveller on this road to prosperity – his bank, RBL Bank. Starting with a humble savings account, his relationship with us, over the last 40 plus years, grew, as did his business and family.

In fact, in the Kolhapur-Sangli belt of Maharashtra, several landmark structures such as schools, dams, stadia and other infrastructure projects, were built by Mr. Deshinge.

Along with his three children and their young family, the Deshinges' today have 10 active accounts, including two business accounts, with RBL Bank.

The story of Mr. Deshinge and his relationship with his bank is certainly unique and yet similar to several thousand customers, among the 4.5 million people who bank with us. These relationships have weathered the test of time. They were built on trust, grew on trust and are sustained on trust.

From a small regional bank to one of India's fastest growing banks with over 265 branches and nearly 5300 employees, the growth of RBL Bank has been made possible by embracing sustainability every step of the way.

While all the accolades and awards picked up on the way, keep us motivated, only two words seem to justify the blood, sweat, and tears paid for this success – two words that Mr. Deshinge uses to describe his bank in Marathi, his mother tongue – Apli Bank or simply Our Bank.



Mr. Madhukar Deshinge's relationship with the Bank has been sustained on trust.



Umeed means hope, and that's exactly what RBL Bank wants for the girls of Udbhav School - hope for a better life.

Pillar - One

People

'UMEED 1000' Cyclothon

On a cold morning in December 2017, 17 cyclists waited for the final whistle to flag-off the fourth annual 'Umeed 1000' cyclothon. Ten days later, the riders had covered a 1000 km, having ridden through Hyderabad, Kurnool, Puttaparthi, Tirupathi, Nellore, Ongole, Vijayawada, Rajahmundry, Pithapuram and Vishakhapatnam -- all for a good cause.

A survey by Save the Children found only 14 girls out of every 100 city girls reach class XII. Shift focus to rural India, and that number plummets to 1 in a 100. In fact, India has 8-10 million girls between 6 and 17 years, who are not enrolled in any school or educational institution at all. This puts the young girls at an extreme disadvantage compared to their male counterparts because they often don't develop the skills, information and self-confidence, needed to navigate through daily life.

This year, Umeed 1000 raised funds for Udbhav School in Chandranagar Basti and Rasoolpura, Hyderabad. Both schools have 630 underprivileged children, over half of whom are girls. Located within the largest slum in Hyderabad, Udbhav School is managed by

the Hyderabad Chapter Charitable Trust of the IIM Ahmedabad Alumni Association, which formed an advisory committee that turned the school around. The facility is regularly upgraded, and the quality of teachers keeps getting better.

Udbhav School has a major impact on the community in Rasoolpura and Chandranagar Basti.

Umeed means hope, and that's exactly what RBL Bank wants for these girls – to hope for a better life. Since inception, Umeed 1000 has raised funds of over ₹ 2 crores for NGOs like Iksha Foundation, IIMPACT and Udbhav School. Hundreds of young girls now have a future to look forward to and in many ways, this represents the true legacy of our bank and its connection with the public it serves.

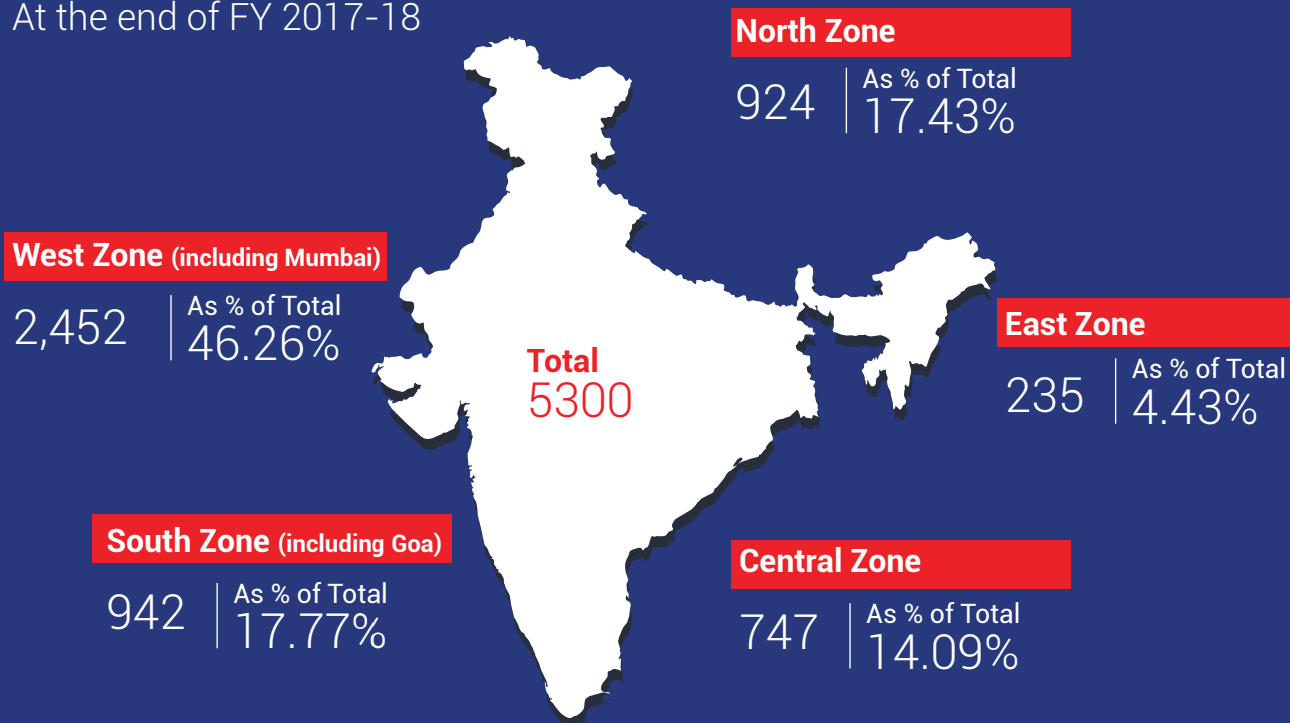


Talent Attraction and Retention

Employees are the Bank's human capital. The total number of employees at the end of FY 2017-18 was 5,300. The steady growth of employees reflect the Bank's overall growth trajectory.

Distribution of RBL Bank Employees across Zones

Number of Employees
At the end of FY 2017-18



Key Employee Statistics

	FY 2016-17	FY 2017-18	FY 2018-19
Recruitment (during the FY)	1,521	2,141	1,842
Attrition (during the FY)	1,114	1,111	1,444
Total employees (at the end of FY)	3,872	4,902	5,300

Diversity and Inclusion

RBL Bank is an equal opportunity employer and does not differentiate between eligible candidates based on race, religion, caste, creed, physical ability or gender. The Bank has a vision of achieving 22% women employees across all section of management by end of FY 2019-20. The HR team is consciously working towards achieving this goal.

As on 31st March 2018, the Bank has approx. 19.9% women employees and is on its track to achieve overall 22% women participation by 31st March 2020.

Representation of Women across Ranks



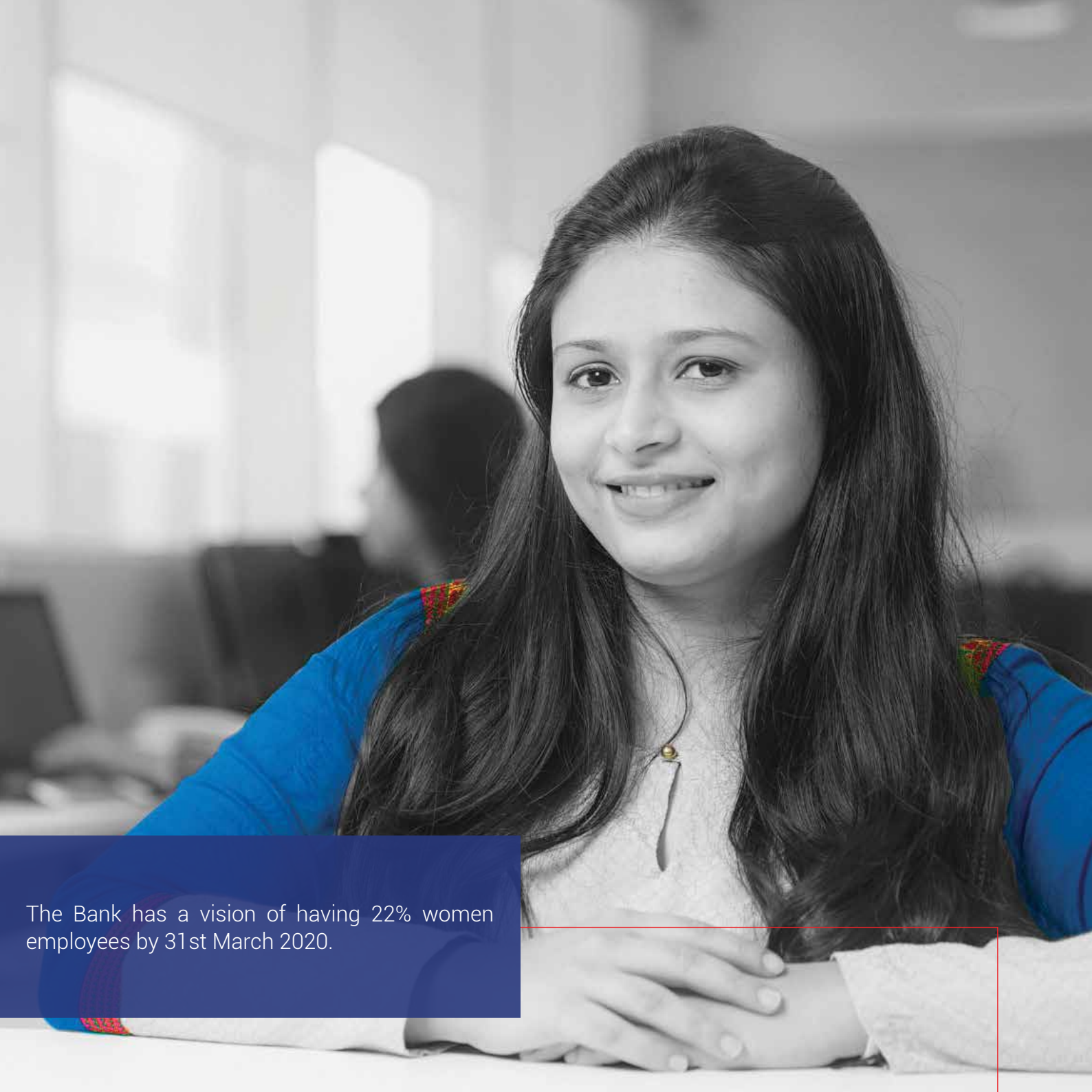
	Women Employees	Men Employees	Women Employees as % of total employees
Junior Management	977	3,613	21.3
Middle Management	68	531	11.4
Senior Management	12	99	10.8

* Numbers as on 31st March, 2018

The HR Team has undertaken Young Leadership Development Programme (YLDP) and Mid-level Leadership Development Programme (MLDP) to identify tomorrow's leaders, including potential women leaders and nurture them.

As per the latest income tax declaration made in FY 2017-18 and exemption sought under Sec. 8(U), the Bank has five differently abled employees.

RBL Bank has initiated a mentoring program on the theme of 'Breaking Out', focused at nurturing tomorrow's women leaders. In Phase 1 of the programme 25 women leaders of the Bank have been selected and are being mentored. In Phase 2 of the programme 200 men and women employees will be trained and empowered by these 25 women leaders, initiating a cultural change in the Bank.



The Bank has a vision of having 22% women employees by 31st March 2020.

RBL BANK
apno ka bank

RBL BANK
apno ka bank



INCREDIBLES



Winners of Incredibles - CEO's Supreme League award for FY 2017-18.

Rewards and Recognition Program

The Bank has Reward and Recognition (R&R) programs which make sure talent and outstanding performance does not go unnoticed. All Bank employees are eligible to participate in the program.

Types of Awards included under R&R



PREET AWARD

For an outstanding display of RBL Bank's PREET values in action



ACHIEVER'S AWARD

Recognizes employees who drive key initiatives that have a bank-wide, business-wide or function-wide impact



INCREDIBLES - CEO'S SUPREME LEAGUE AWARD

Awarded for Individual Excellence and Team Excellence - the finale of all awards that every RBL banker looks forward to



EMPLOYEE EDUCATION REIMBURSEMENT PROGRAM

Rewards employees who seek higher educational credentials for personal/professional growth



SPOT AWARD

Award given through a digital platform using WhatsApp by a line manager as and when great work is spotted.

Sub Categories



RAINMAKER



CUSTOMER CHAMPION



MARATHONER
GOING THE EXTRA MILE!





'A Great Place to Work'

RBL Bank has partnered with Great Place to Work® Institute, India to conduct the 'R-Pulse' survey in the organization. The objective of the survey is to capture the aspirations of the employees - things they appreciate, and things they don't; and to use this feedback to course correct the organization's human resource activities.

RBL Bank is a Great Place to Work® Certified Organization for FY 2017-18.



Pillar - Two

Knowledge

While the number of Indians graduating is large, studies show that employability is an issue due to lack of industry preparedness. Hence for job creation developing the right skillsets is critical.

In June 2016, RBL Bank partnered with Manipal Global Education Services and started RBL Manipal Learning Academy (RBLMLA) to create a talent pool of future ready bankers. Youngsters passing out of RBLMLA are absorbed by RBL Bank.

The one-year program (eight months residential and four months internship/on the job) is conducted at the Manipal Campus in Bengaluru. The course is tailored to RBL Bank's requirements which cover credit, risk, sales, operations, retail assets and Branch Business Banking (BBB), banking products, processes, systems, regulations and compliance frameworks involved in day to day operations. The program stresses on skill building of Probationary Officers to enable them to be productive from day one. On successful completion of the course the candidates are employed in the bank as executive trainees.

A cashless bridge in the form of a subsidized educational loan is provided to all participants to fund the cost of the program. The participants

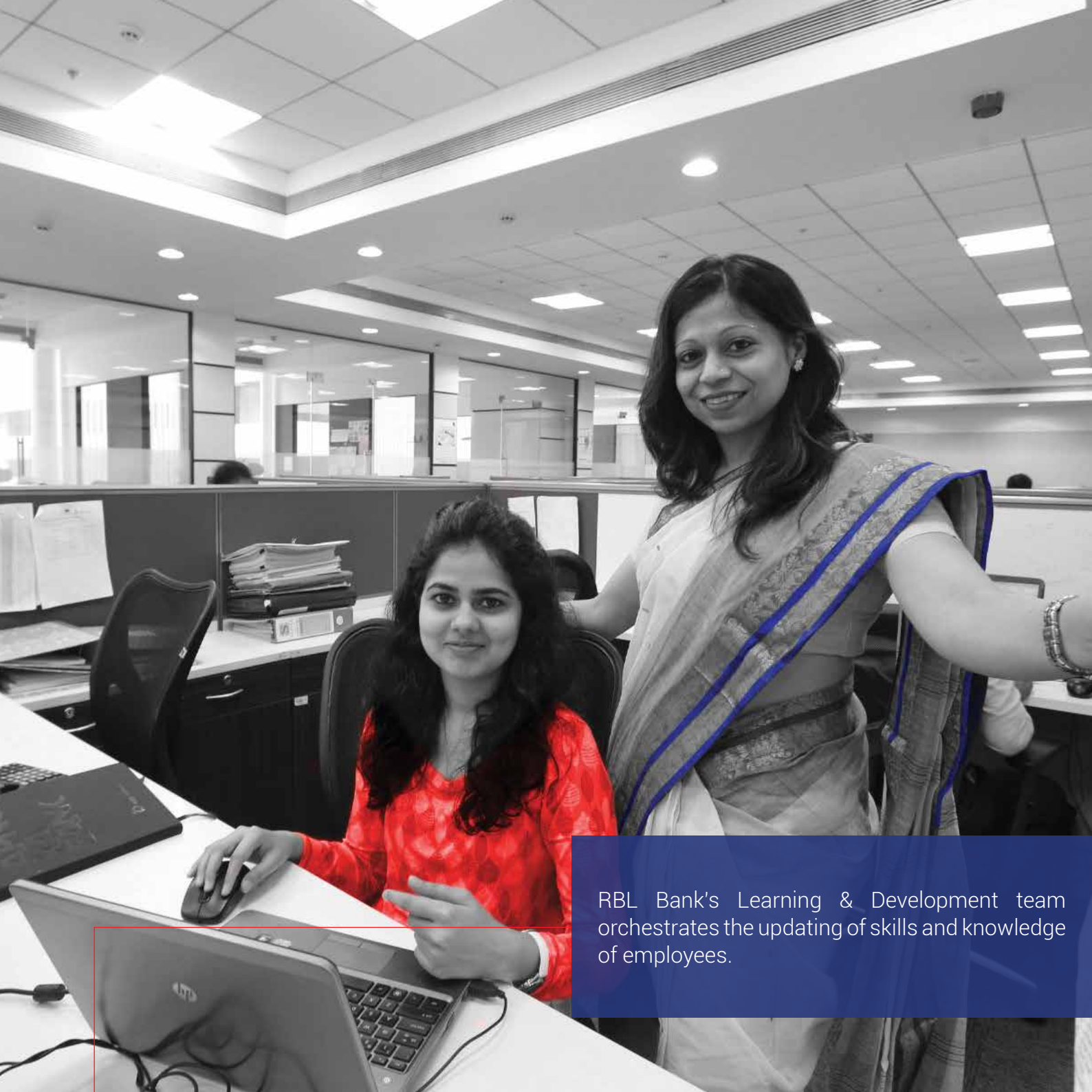
repay the loan after becoming full time employees. Also Tier II and Tier III locations are preferred in order to give incumbents from small towns an opportunity to build an accelerated career in banking.

Through RBLMLA in FY 2017-18, 106 trainees were absorbed in the Bank. It has also helped build a managerial pipeline of banking professionals for RBL Bank and the industry at large.

The cycle will continue, as we work diligently to transform young eager trainees into officers of the highest calibre, working together toward a competent and cohesive workplace.



The RBL Manipal Academy of Banking Excellence nurtures young probationary officers to be ready to join various functions of the Bank.



RBL Bank's Learning & Development team orchestrates the updating of skills and knowledge of employees.

Training and Development of Employees

An organization's success depends on its Human Capital. An organization, with trained and motivated Employees, definitely has an edge in a competitive market.

RBL Bank's Learning & Organization Development team looks after the re-skilling and up-skilling of employees. The Bank undertakes (a) classroom trainings (including external training of employees) and (b) E-learning training.

Classroom training in FY 2017-18 included Information Security, Advance Fraud Detection, Forensic Detections, Managerial Effectiveness, Service Excellence, RM Essentials and Leadership Development Programs like Young Leader Development Program (YLDP), Mid Level Leader



Development Program (MLDP) and Senior Level Leadership Development Program (SLDP).

E-learning programs in FY 2017-18 included Anti-Money Laundering (AML), Know Your Customer (KYC), Performance Conversation, Business Etiquette, Sustainability Primer, Programs on RBL Bank's Products and Services.

Apart from this fire and safety trainings followed by mock drills are undertaken at corporate offices and branches biennially.

Employees are also sent to specialized external courses on topics such as stress testing, Basel-III, Ind AS (new accounting standard), IBC (new law in bankruptcy) among others.

Training Statistics of RBL Bank Employees

Mode of trainings	Number of trainings	Unique employees covered (including resigned employees)	Total man days invested*
 E-learning	116	6,264	4,744
 Classroom programs	1,041	2,571	7,898
	1,157	6,317	12,641

Note: *An employee may have opted for more than one training program

Pillar - Three

Society

In a country which has 21.9% population under the poverty line², banking is out of reach for many Indians. As per RBI data nearly 40% Indian population is 'outside the ambit of formal banking'³.

Financial isolation comes from two fundamental reasons – demand and supply. On the demand side the two main reasons are lower per capita income and lack of awareness among the masses. On the supply side, poor banking infrastructure such as lack of adequate bank branches in the vicinity, lack of suitable products meeting the needs of the poor and complex processes and language barriers are some of the main reasons for low banking penetration in India.

RBL Bank, in association with CDC Group, Plc. and Accion, carried out financial literacy (FL) training for women and mass awareness drives in four districts of Madhya Pradesh. 25,000 women were trained at classroom sessions, and approximately 27,000 people were trained through 300 mass awareness camps carried out at village levels. The participants of the training were the RBL Bank Microfinance clients serviced by Business Correspondent partners. The women were trained in fundamentals like managing day to day expenses, savings, budgeting, insurance products like life and health insurance, savings accounts especially nofrills savings accounts and fixed and recurring deposits.

One year after the completion of the study, RBL Bank carried out independent impact assessment of the financial literacy program through an independent agency, through sampling survey. 1755 odd classroom trained women were interviewed and 20 focus group discussions were held with 144 participants.

Key findings of the initial impact assessment showed that financial literacy activity has transcended from being mere 'information packets' to a catalyst for change:

- The Financial Literacy (FL) programme had been successful in creating awareness on (a) understanding the Bank's products and services, (b) money management, (c) insurance and (d) participation in financial decision making
- Respondents were able to recall key topics, even after one year of completion of the program. Nearly 85% respondents could recall savings related topics, 40% could recall productive use of loans, 34% could recall how to manage household expenses, and 33% recalled insurance products. 90% respondents associated savings with Pradhan Mantri Jan Dhan Yojna (PMJDY) accounts.
- It was apparent that the training sessions have led to behavioural change in the respondents. 35% of the respondents confirmed that post the training they have started preparing household budget. 50% respondents reported savings of 10-25% of their total household income, the remaining 50% were still saving less than 10% of their total household income. 17% have opened fixed deposits accounts and 10% respondents opened recurring deposit accounts post training.

Participants of the financial literacy study demanded more such follow-up programs. At RBL Bank, we were overwhelmed with the response. It's a good start, but it's a long way ahead.

² https://en.wikipedia.org/wiki/Poverty_in_India accessed on 19th August, 2017

³ <http://timesofindia.indiatimes.com/business/india-business/40-of-India-is-unbanked-hurting-the-most-Exchange-Of-Currency-Permitted-Only-Once-Till-RBI-Review/articleshow/55392031.cms> accessed on 19th August, 2017



The Financial Literacy programme has created awareness of money management and insurance and has motivated the women to participate in financial decision making

Financial Inclusion

Financial Inclusion is defined as the process of ensuring access to appropriate financial products and services needed by economically vulnerable groups.

The Bank has network of 646 micro-banking branches, 807 business correspondent branches and 1,94,296 customer service points in 20 States as on 31st March 2018.

RBL Bank through its Micro banking model provides credit facilities to women Joint Liability Groups (JLG). As part of the lending procedure, these women are

mentored about the loan they have taken, importance of timely repayment of loan and usage of loan for income generation activity. This model of engaging women in financial process empowers them, provides them an upperhand in household financial decision making and brings out the entrepreneur in them.

This brings them into formal the banking system and ensures that they are not exploited by moneylenders.

Financial Inclusion Loan Portfolio as on 31st March, 2018

Heads	Direct lending	Indirect lending	Total lending
Number of Active Borrowers	17,85,086	1,36,098	19,21,184
Amount of Outstanding Loans (₹ Crore.)	3,305.96	311.59	3,617.55

Affordable, convenient and easy to access – RBL Bank's financial inclusion products are specifically tailored to meet the needs of our clients.



Financial Inclusion targets women customers. It encourages these women customers to actively engage in financial activities, take part in financial decision making and become entrepreneurs.

RBL Bank's Financial Inclusion Product Offering

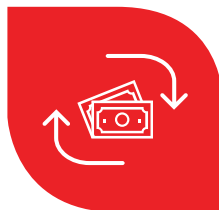
Microfinance

- Term loans
- Working capital finance



Micro-enterprise finance

- Working capital finance
- Asset finance
- Term loans



Insurance

- Life insurance
- General insurance
- Credit-life micro-insurance
- Health insurance



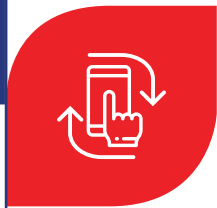
Micro-banking

- Crop loan
- Crop loan - vegetables
- Agri investment loan - land development
- Agri allied loan - dairy
- Agri allied loan - non-dairy
- Micro-enterprise loan



Micro-savings & Remittances

- No-frill savings account
- Domestic remittance
- Flexible RD



Personal Banking Products

- Savings account
- Current account
- Loans
- Deposit
- Insurance

Robust Technology Support

RBL Bank has invested in robust technology platform and innovations critical for scale and last mile delivery.

- RBL Bank has a dedicated Core Banking Software for its Financial Inclusion clients.
- The Bank has introduced micro ATM devices, which clients use for transacting in their savings bank accounts at authentication points
- The Bank has partnered with several fintech companies to provide infrastructure to transact near their base locations by paying a nominal fee.
- RBL Bank has introduced TAB Based Banking service, where end to end process, starting from onboarding till collection is completed at client space.

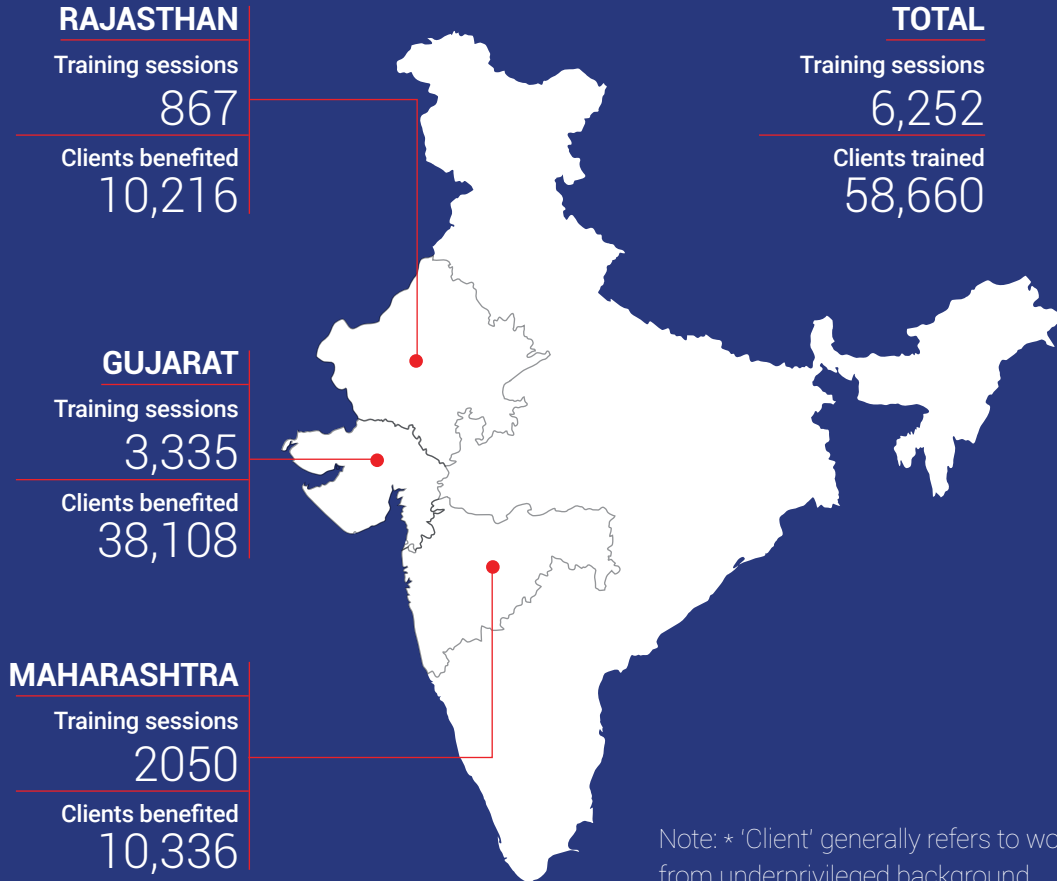
Financial Literacy Program

RBL Bank has partnered with Swadhaar Finaccess to offer a financial literacy program "Saksham" in Maharashtra, Gujarat and Rajasthan. The program was initiated In December 2016. By the end of FY 2017-18 more than 1 lakh women clients have been trained under this program.

The financial education program uses traditional delivery methods viz. classroom training and focus group discussion.

- Cashless banking methods like debit cards, Cheque payments and UPI
 - Benefits of small savings
 - Details of various Insurance Products
 - Customer grievance
- The program effectively educates the customers about their existing credit situation and provides them knowledge on the available banking facilities.
- Loan and loan related process description
 - Responsibility of customer post loan disbursement
 - Description about Credit Bureau

Financial Literacy Training under 'Saksham' Program in FY 2017-18





The financial literacy program uses traditional delivery methods i.e. Classroom Training and Focus Group discussion



Diwali celebration for children from local municipal schools

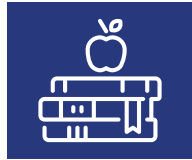



CSR Activities

RBL Bank undertakes activities focused at providing education, preventive healthcare, women empowerment and sustainable livelihood related activities in poor, marginalized and vulnerable sections of the society. These are guided by the Bank's Corporate Social Responsibility (CSR) Policy.

In FY 2017-18, the Bank's CSR activities have focused on the following sectors:

- Preventive healthcare – retinopathy and retinoblastoma clinics for underprivileged in Dharavi, Mumbai;
- Girl child education – cyclothon campaign from Hyderabad to Vijaywada to create awareness about Udbhav School with 641 street children in Hyderabad;
- Skill development – three-year training program for 1000 rural and semi-urban youth to ensure better employability;
- Sustainable livelihood and women empowerment – adoption of a village in rural Maharashtra and working with a NGO partner in Aurangabad to create a sustainable community.

Spending across key thematic areas in last three financial years

	 Education	 Preventive Healthcare	 Sustainable Livelihood	 Other CSR Activities	Grand Total
Amount spent in FY 2016 (₹ Crore.)	0.82	0.11	0.53	0.15	1.61
Amount spent in FY 2017 (₹ Crore.)	1.02	0.33	2.02	0.31	3.68
Amount spent in FY 2018 (₹ Crore.)	3.39	0.45	2.73	0.38	6.95

Bank's CSR programs are independently reviewed by a group of third party auditors for achieving desired effectiveness.



On average, \$1 million loan to SMEs can be estimated to create 10 –15 direct jobs per year

SME Lending

The Bank has various products that cater to SME segment. These are Secured Business Loans (SecBL), Business Installment Loan (BIL) and Small Business Loans (SBL). Most of these borrowers are categorized as Micro, Small and Medium enterprises as defined by Reserve Bank of India.

- SecBL Loans have tenor typically between 1 and 15 years and loan size varying between ₹ 0.05 and ₹ 10 crore.
- BIL Loans have tenor of 1-4 years and loan size of ₹ 0.1 – 0.35 crore.
- SBL Loans have tenor of 1-7 years and have a loan size of ₹ 0.01-0.2 crore.

Total disbursement in SME retail sector in FY 2017-18 was ₹ 7491.75 crore.

Number of beneficiaries were 5,72,841 and amount outstanding as on 31st March, 2018 was ₹ 6186.53 crore.

An independent study⁴ conducted by International Finance Corporation (IFC), and CDC Group, Plc. (CDC) has made the following key conclusions based on a review of RBL Bank's retail loan portfolio:

- Most clients in the sample increased their incomes and sales in the two years following the loan,

growing income by 10% CAGR and sales by 9% CAGR on average.

- SME Clients' assets grew by 7% since the loan, showing that SMEs have had the ability to invest in their businesses after covering costs.
- SME Clients, which employed 1,102 people at the time of loan approval, exhibited an annualised employment growth rate of 6% post-loan
- On an average, USD 1 million loan to SMEs can be estimated to create 10 – 15 direct jobs.
- 24% of the new jobs were for women. Only four in ten SMEs employed any women, but clients with women involved in ownership or day-to-day management were more likely to employ women.
- 79% of the clients studied, reported that the loan had made a difference to their business' performance (consistent with the proportion that had grown sales, income and assets).

⁴ Kehoe, A. and Khanna, M., "SME Finance and Growth: Evidence from RBL Bank". CDC. 2017.

Pillar - Four

Finance

Dilip Yadhav hails from Ujjain, Madhya Pradesh, an ancient city beside the Kshipra river in central India. Ujjain happens to be an important pilgrimage destination, known for its centuries-old Mahakaleshwar Temple and the nearby colorful Bade Ganesh Temple. It comes as no surprise then that Dilip earns his money, making semi-finished agarbattis (incense sticks without any fragrance) from a small shed down a dusty road in Madhya Pradesh's fifth most populated city.

Dilip first began making agarbattis by hand with a very meagre capital. Those were difficult days. The job was labor intensive and low on productivity. The social stigma of being called a "hawker" however, greatly affected him. Adversity deters some people, but it fuels ambition in others. Dilip with his admirable initiative and ample entrepreneurial spirit spurred him to dream of something better.

He resolved to take his cottage-business to the next level. He realized that customers preferred machine made agarbattis that were superior in quality, and that machine production was significantly faster. This led him to mechanize his operations.

Finance continued to be an issue. Dilip approached family and friends for loans but this meant it would

alter his personal relationships, so he quickly changed tact. In August 2015, Dilip approached RBL Bank to open an account and apply for a loan. He deposited ₹2500 and opened a savings account in Chakkamed (Ujjain) Branch. Within a week Dilip had successfully procured a loan of ₹1 lakh and had begun the next step in his entrepreneurial journey.

After 15 years of making agarbattis by hand, Dilip was able to mechanize his operations, increase production volumes and optimize his processes. Soon, he had three machines, and having impressed RBL Bank with his payment record, was sanctioned an additional ₹1 lakh loan in 2016. Today, Dilip estimates his production at 3-4 tons a month and says he has produced upwards of 100 tons since he mechanized operations. Dilip makes his monthly loan repayment on time and has grown his business from a one-man operation to providing employment for five people -- three machine operators and two support staff. The transformation of Dilip's business is far from over.

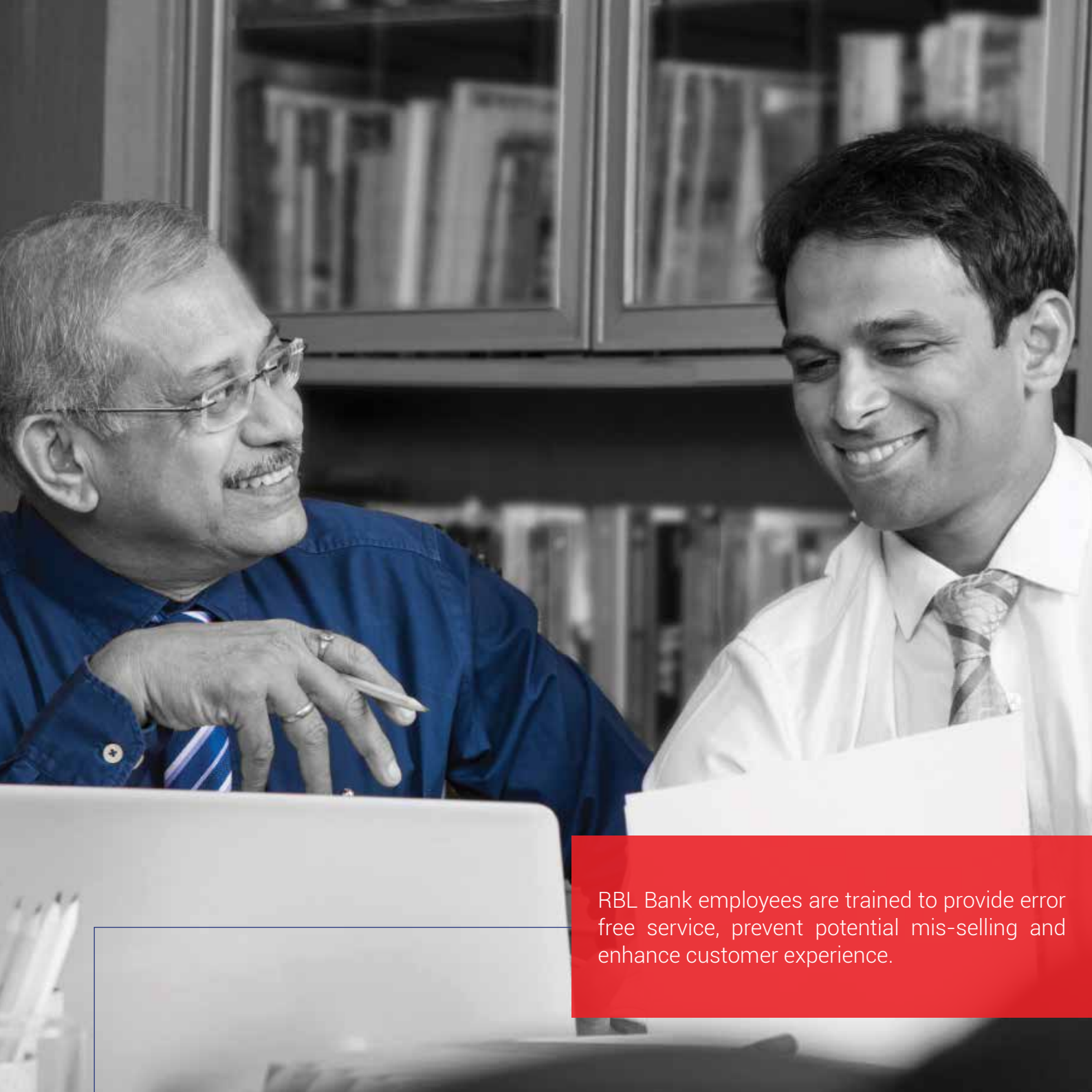
Dilip is now ready to expand his business to branded agarbattis and knows he can rely on RBL Bank's support.



After 15 years of making agarbattis by hand, Dilip is now ready to expand his business to branded agarbattis



Scan the QR code to watch the entire story of Dilip Yadhav



RBL Bank employees are trained to provide error free service, prevent potential mis-selling and enhance customer experience.

Efficient Customer Service

RBL Bank has received the highest rank in Banking Codes & Standards Board of India (BCSBI) Code Compliance Rating in FY 2016-17¹. The Bank has scored highly in information dissemination, transparency, customer centricity and grievance redressal indicating superior service delivery and customer service. In fact, RBL Bank employees are trained to provide efficient and error free service, enabling the Bank to be committed to the goal of providing the best possible customer experience.

The Bank's Complaint Handling Guideline (CHG) makes it easy for an aggrieved customer to approach the competent authority. The CHG states that complaints should be resolved within a period of 30

days (three stages of 10 days each) till the complaint reaches the Principal Nodal Officer/ Sr. Management/ MD and CEO. A Complaints Group within the Bank oversees the satisfactory resolution of the complaints within designated TATs. Only the client /person registering the complaint can register a satisfactory closure of a complaint.

The number of customer complaints in FY 2017-18 is presented in the below table. Nearly 97.17% of the complaints (including complaints from earlier financial year) were successfully resolved within given TAT. RBL Bank has undertaken periodic customer satisfaction surveys to design better products and services and identify service glitches.

Customer Complaints in FY 2017-18

	Customer complaints carried forward from FY 2016-17 (i.e. pending as on 31st March, 2017)	Customer complaints registered in FY 2017-18	Customer complaints successfully resolved in FY 2017-18	Customer complaints ending resolution as on 31st March, 2018
	713	27,182	27,105	790

¹BCSBI Code Compliance Rating, 2017 (<http://www.bcsbi.org.in/Pdf/AnnexureinRating2017.pdf>) accessed on 10th October, 2017

Value For Shareholders

RBL Bank is listed with NSE and BSE since 31st August, 2016. As on 31st March, 2018 RBL Bank's market cap was ₹ 23,500 crore.

Investors like International Finance Corporation (IFC), CDC Group, Plc. (CDC) and Asian Development Bank (ADB) along with a group of marquee Private Equity (PE) funds have invested in RBL Bank. This reflects the trust RBL Bank harbours from international investors.

In addition, RBL Bank has a policy of granting stock options to employees under one or more Employee Stock Option Plan (ESOP) making them co-owners of the Bank and helping them create wealth in turn.

A comparative analysis of assorted financial indicators over a period of last three financial years is presented in the table below. It shows the Bank's consistent growth trajectory.

Indicators	Unit	FY 2015-16	FY 2016-17	FY 2017-18
Total Deposits	₹ in Crore	24,349	34,588	43,902
Net Advances	₹ in Crore	21,229	29,499	40,268
Total Assets	₹ in Crore	39,161	48,675	61,851
Net worth	₹ in Crore	2,960	4,242	6,546
Net interest income	₹ in Crore	819	1,221	1,766
Net Profit	₹ in Crore	292	446	635
Net interest margin	%	3.10	3.29	3.80
CASA ratio	%	18.64	21.98	24.32
Return on Assets	%	0.98	1.08	1.21
Earnings per share	₹	9.60	12.59	15.79
Book Value Per Share	₹	91.17	113.07	155.99

RBL Bank declared an equity dividend of 21% amounting to ₹ 2.1 per share for FY 2017-18.



RBL Bank's listing in August, 2016 states an over-subscription of nearly 70 times. Investors believed in the Bank's robust fundamentals and top management's vision.



RBL Bank has a robust corporate governance structure in place - supported by Board committees comprising independent directors; strong policies and experienced staff.

Corporate Governance & Risk Management

RBL Bank's Board has eight non-executive and two executive directors. RBL Bank has an established Code of Conduct for independent directors. The Code of Conduct follows provisions made in Schedule IV of Companies Act, 2013, as amended from time to time.

RBL Bank follows strict corporate governance measures like the setting up of internal committees chaired by non-executive directors, establishing and operationalizing internal control procedures, conducting periodic internal and external audits, and periodic annual general meetings with shareholders.

The Bank's Risk Management Framework covers key areas, such as Capital Adequacy ratio risk, Credit risk, Market risk, Operational risk, Liquidity risk, Compliance risk, Environmental and Social risks, Reputation risk and other risks.

The Bank's Board is responsible for Risk Management. It defines Business Strategy and Risk Appetite of the Bank. The Risk Management Committee of the Board (RMCB) is the Board sub-committee for Risk Management. The RMCB develops risk management policies, investment policies and strategy, processes, systems and monitors the risks pertaining to portfolio, liquidity, interest rate, off-balance sheet and operational risks and regulatory and compliance issues in relation to the same.

The RMCB is supported by the Product Approval Committee (PAC), the Operational Risk Management Committee (ORMC), the Management Credit Committee (MCC), Asset Liability Management Committee (ALCO), Business Operations and Technology Committee (BOTC), Compliance Implementation Committee (CIC)

and the Environmental, Social and Governance (ESG) Committee.

RBL Bank's Board has approved policies which ensure ethical action, transparency and accountability throughout the Bank. These include the following:

- Compliance Policy
- Whistleblower Policy
- Anti-Money Laundering (AML) Policy
- Vigilance and Fraud Policy
- Policy of Ethical Conduct
- Code of Bank's Commitment to Customers
- Employee's Code of Conduct
- Policy on dealing with Related Party Transactions
- Fair Practice Codes for Banking and Lending
- Insider Trading Code
- Staff Accountability Policy
- Grievance Redressal Policy for stakeholder

Any violation of these policies is handled with due seriousness by top management.

The Bank currently has a Directors & officer Insurance policy in force for an amount of Rs. 50 crore. The Bank recognises that Independent Directors of the Bank have significant responsibilities and liabilities in their capacity as board members and even more so in their capacity as an Independent Director. The Bank therefore, has a separate D&O policy of Rs. 25 crore to insure Independent Directors from potential liabilities arising out of their appointment.

Board of Directors (as on March 31st, 2018)

Mr. Narayan Ramachandran

Chairman (Till May 19th, 2018)

Special Skillsets: Banking, Finance and Economics including rural economy and Small-Scale Industry

Mr. Narayan Ramachandran is a Director on the Board of the Bank since May 20, 2010. Mr. Ramachandran has also been the Chairman of the Capital Raising Committee of the Board under whose leadership the Bank has undertaken successful capital raises in the past.

Mr. Ramachandran holds a management degree from the University of Michigan, Ann Arbor, B.Tech from IIT, Mumbai and is a Certified Financial Analyst from the USA. Mr. Ramachandran has wide experience of over 31 years in the areas of finance and banking across geographies. Mr. Ramachandran possesses an understanding of regulations in various leading financial markets.

Previously, Mr. Ramachandran was the CEO and Country Head of Morgan Stanley in India till May 2010, and was instrumental in establishing several new businesses in India including Morgan Stanley's NBFC and primary dealership entities.

Prior to that, Mr. Ramachandran was co-lead of the Global Emerging Markets division of Morgan Stanley. Mr. Ramachandran has worked with sovereign wealth funds and securities and banking regulators, in many countries, such as Monetary Authority of Singapore (MAS), SEC (US) and Abu Dhabi Investment Authority (ADIA).

Mr. Ramachandran leads an initiative to deworm millions of school children in India. He regularly writes articles in leading newspapers and is a frequent speaker at industry conferences and a prominent thought leader of the country.

Mr. Vishwavir Ahuja

Managing Director and CEO

Special Skillsets: Banking, Economics, Finance, Capital Markets, Treasury, FX, Financial Inclusion and Agriculture

Mr. Vishwavir Ahuja is an experienced person in Banking Industry with close to 36 years of experience. He joined RBL Bank in July 2010 when it was a small, regional, southern Maharashtra based old-age private sector bank. Mr. Ahuja has since transformed the institution into a vibrant, professionally run, new-age bank with a high degree of competitiveness and scale. Between FY 10-11 and now, the Bank's balance sheet has grown almost 40 times and net profit over 50 times, making it one of the fastest growing and better performing private sector banks in India. In August 2016, Mr. Ahuja spearheaded one of the country's most successful IPOs, commanding an oversubscription of over 70 times and a significant listing premium.

Mr. Ahuja has won many accolades for the Bank. Under his leadership, RBL Bank was recently awarded the CNBC TV18 India Business Leader Award (IBLA) – '2018's Most Promising Company of the Year'. In 2017, he was awarded the prestigious EY 'Entrepreneur of the Year – Financial Services' award for being a visionary entrepreneur and continuously creating value, generating jobs and contributing to building a better working world. Under his leadership, RBL Bank has also been awarded the CNBC Asia's India Talent Management Award - 2017. Other recent accolades for the Bank include:

1. World Economic Forum (WEF) Global Growth Company - 2014.
2. 'India's Best Bank (Growth)' by Business Today-KPMG Best Bank Study for six consecutive years (2012-17).
3. Two IBA Banking Technology Awards in the Best IT Risk & Cyber Security Initiative category and Best Payment initiative category, 2017.

Prior to joining RBL Bank, Mr. Ahuja was the Managing Director & CEO of Bank of America, India from 2001 to 2009. At Bank of America, he successfully managed assignments in the USA, Hong Kong and all four regional offices in India. Mr. Ahuja held various positions in the Credit and Risk Management Group, Treasury and Foreign Exchange, Corporate Planning and Finance, and was Head - Corporate and Investment Banking, before eventually becoming CEO at the age of 41.

Mr. Ahuja holds a Master's degree in business administration from IIM – Ahmedabad and an MS degree in International Finance from the University of Michigan, USA.

Mr. Rajeev Ahuja

Executive Director

Special Skillsets: Banking, Economics, Finance, Capital Markets, Treasury, FX, Financial Inclusion and Agriculture

Mr. Rajeev Ahuja, Executive Director at RBL Bank, brings over 30 years of experience in the financial services industry. He has been an integral part of the company's transformation journey and is responsible for building the overall strategy of the Bank while managing the Retail Banking and Financial Inclusion businesses of the Bank. Mr. Ahuja is also responsible for the company's capital raising, development of new businesses, partnerships and investor relations functions.

During Mr. Ahuja tenure in the banking industry, he has held key positions in investment banking and financial markets. Prior to joining RBL Bank, Mr. Rajeev Ahuja was heading Investor Sales Business (South Asia) with Citigroup, India.

Mr. Ahuja has also had a long stint in the capital markets and investment banking divisions of Bankers Trust/ Deutsche Bank in Asia. Additionally, he has held an advisory role with a venture capital fund focused on early-stage India-centric IT opportunities.

Mr. Ahuja holds a Master's in Business Administration from IIM, Ahmedabad.

Mr. Prakash Chandra

Chairman (w.e.f. May 20th, 2018)

Special Skillsets: Finance, Law and Taxation

Mr. Prakash Chandra is a Director on the Board of the Bank since January 25, 2016.

Mr. Chandra has served 38 years as an Indian Revenue Services (IRS) Officer in the Government of India. During his stint as an IRS, Mr. Chandra has held key positions in various Ministries of Government of India including Chairman of Central Board of Direct Taxes (CBDT), Delhi, Director of Department of Supply, Ministry of Commerce, Director of Border Roads Development Board, Ministry of Defence, Director General of Income Tax (International Taxation), Delhi.

Mr. Chandra retired as Chairman, CBDT, on July 31, 2011 and was Ombudsman, Income Tax Department, Delhi for 2 years till December 31, 2013, as a post retirement assignment. After retirement, Mr. Chandra is now an Advocate and a member of the High Court and Supreme Court Bar Associations.

Mr. Chandra was delegate of Indian Government to various international committees on tax matters, and has also led various Indian delegations. He has been advisor to the Union Public Service Commission and Department of Personnel Government of India. Mr. Chandra acted as a Chairman of various committees set up by the Government to examine ways to strengthen laws to curb generation of black money, issues of thin capitalisation, CFC Regulations, Treaty abuse and Anti-Tax Avoidance Laws. He has also served as a President of 'Indian Revenue Service Officers' Association and has represented them before the Sixth Pay Commission. Mr. Chandra was actively involved in the Management of Delhi Gymkhana Club in the capacity of the President of the Club.

Mr. Chandra holds Bachelor of Science and Bachelor of Law degrees from the University of Allahabad, besides a diploma in Development Policy from the University of Glasgow, U.K.

Mr. Sivanandhan Dhanushhodi

Independent Director

Special Skillsets: Economics, Law enforcement Investigation of Fraud and Crime, Management, Rural Economy

Mr. Sivanandhan is a Director on the Board of the Bank since December 18, 2012.

Mr. Sivanandhan is an economics graduate with a distinguished career in the Indian Police Services. After retiring as Director-General of Police (DGP) of the Maharashtra State on 28th February 2011, Mr. Sivanandhan was nominated on the PMO's Special Task Force for completely revamping the internal security scenario of the country. His involvement in the CSR Committee will be an extension of his uncompromised commitment to serve the nation and its people.

Mr. Sivanandhan is also part-time Security Advisor to Reserve Bank of India and Advisor on security matters to The Royal Bank of Scotland.

Mr. Vimal Bhandari

Independent Director

Special Skillsets: Accountancy & Finance, Finance and Management

Mr. Vimal Bhandari is a Director on the Board of the Bank since September 14, 2010. Mr. Bhandari is a Chartered Accountant from the Institute of Chartered Accountants of India.

For six years till 2017, Mr. Bhandari was the Managing Director & CEO of IndoStar Capital Finance Ltd. Previously, Mr. Bhandari was Country Head of AEGON N.V., a large sized Dutch financial services player, which has established a life insurance and mutual fund business in India. Prior to joining AEGON in mid-2004, Mr. Bhandari had spent 17 years with Infrastructure Leasing & Financial Services Limited (IL & FS), of which 12 years were spent as the Executive Director on the Board of Directors of IL & FS.

Mr. Bhandari was responsible for its financial services business. Additionally, Mr. Bhandari functioned as a Non-Executive Director on IL & FS Group entities in the business of stock broking, private equity, infrastructure project development and healthcare management services and as Director-In-Charge for the asset management and merchant banking subsidiaries.

Ms. Rama Bijapurkar

Independent Director

Special Skillsets: Strategy, Rural Economy, Marketing and Banking

Ms. Rama Bijapurkar is a Director on the Board of the Bank since March 27, 2014.

Ms. Bijapurkar is one of India's most respected thought leaders on market strategy and India's Consumer Economy. Ms. Bijapurkar has her own independent consulting practice and describes her work as bringing customer centricity to business strategy development. Ms. Bijapurkar is co-founder and chairperson of Think Tank and Fact Tank People Research on India's Consumer Economy, aimed at providing macro-consumer insight on Consumer India and Citizen India for policy makers and business.

In addition to consulting practice Ms. Bijapurkar also serves, and has served on the Boards of several of India's blue chip companies including Infosys, Axis Bank, ICICI Prudential Life Insurance, Mahindra & Mahindra Financial services, CRISIL and National Payment Corporation of India, as well as on the governing councils of institutions such as IIM Ahmedabad, National Institute of Bank Management, India Gold Policy Centre (at IIM Ahmedabad), and Banking Codes and Standards Board, and is a member of the eminent persons advisory group of the Competition Commission of India.

Ms. Bijapurkar is a regular visiting faculty at IIM Ahmedabad, her alma mater, and is an author and a dominant voice in the media on issues relating to her areas of professional interest.

Mr. Jairaj Manohar Purandare

Independent Director

Special Skillsets: Tax Consulting, Accounting / Finance, Economics and Management

Mr. Jairaj Purandare has been a Director on the Board of the Bank since September 16, 2011.

Mr. Purandare is fellow of the Institute of Chartered Accountants of India and holds a Bachelor's degree in Science (Hons) from the Bombay University.

Mr. Purandare is the Founder Chairman of JMP Advisors Pvt Ltd., a leading advisory, tax and regulatory services firm, based in Mumbai, India. Mr. Purandare has over three and half decades of experience in tax and business advisory matters and is an authority on tax and regulation. Mr. Purandare was Regional Managing Partner, Chairman–Tax and Country Leader–Markets & Industries of PricewaterhouseCoopers India. Mr. Purandare was earlier Chairman of Ernst & Young India (EY) and was the Country Head of the Tax & Business Advisory practice of Andersen India, before joining EY.

Mr. Purandare has significant expertise in advising clients such as Bechtel, Citibank, GE, HSBC, Hutchison, Mahindra & Mahindra, PepsiCo, Standard Chartered Bank, Star and the Tata Group. Mr. Purandare has considerable experience on various issues in the Financial Services, Infrastructure, Power, Telecom, Media, Pharma and Auto sectors.

International Tax Review (Euromoney), in its report - World's Leading Tax Advisors, has named Mr. Purandare several times among the leading Tax Advisors in India.

Mr. Purandare is a frequent speaker at seminars in India and abroad. He has presented several papers in areas of his expertise including inbound/outbound investment structuring, international tax, transfer pricing, M&As, Indian budget and economy.

Mr. Purandare is a member of (a) Executive Committee of IFA - India Branch (b) International Tax Specialists Group (ITSG) (c) City of London Advisory Council for India and (d) Young Presidents' Organization (YPO).

Mr. Purandare is also a former member of Central Direct Taxes Advisory Committee (chaired by the Finance Minister), Confederation of Indian Industry (CII) National Council and former Chairman of the Direct Tax committee.

Mr. Palepu Sudhir Rao

Independent Director

Special Skillsets: Accountancy & Finance, IT and IT security

Mr. Palepu Sudhir Rao is a Director on the Board of the Bank since January 30, 2012.

Mr. Rao is currently associated with over 18 companies in India including Aditya Birla Money Ltd. and Radhakrishna Foodland Pvt. Ltd. (a leading supply chain solutions company), nurturing early/growth stage

enterprises to assisting listed entities in the areas of Strategic Direction, Business Research and Revenue Management, Performance & Capital Management and Stakeholder Relations as also providing India-entry services. As an active non-executive observer, Mr. Rao gets them to focus on enhancing Customer & Organisation Capital to deliver superior triple bottom line returns to all stakeholders. Mr. Rao has invested and advised several Technology Ventures that impact Education, Healthcare and Financial Services from incubation through to listing them in the public markets.

Mr. Rao was a key participant in the Indian Capital Market, between 1989 and 1999, a period that saw the emergence of structural change and reforms in the Indian Financial Services and Capital Markets. Mr. Rao is Founder Director of Karvy Investor Services Ltd. that is involved in providing Investor Services. Mr. Rao has served on the Board of Bank of Punjab Ltd. as an Independent Director before it was merged with Centurion Bank Ltd.

Mr. Ishan Raina

Independent Director

Special Skillsets: Advertising / Brand and Communication Strategy

Mr. Ishan Raina is a Director on the Board of the Bank since April 30, 2016.

Mr. Raina was the Founder and CEO of Out of Home Media (OOH Media) and has previously been associated with Ignitee Digital Solutions, JWT Contract Advertising (India) and Lintas Advertising (India). Mr. Raina has also served as a member of the Euro RSCG, India & Member of Havas Media Management Board Worldwide.

During his illustrious career spanning over 35 years, Mr. Raina, as an executive and an entrepreneur, has formulated brand and communication strategies, advertising and media and digital marketing solutions. Mr. Raina is currently the Founder and Chairman of Raina Advisory, an advisor at the National Skills Development Corporation, where he advises the senior management team and various industries to help create jobs and livelihoods for people.

Mr. Raina holds a Bachelor's degree in Commerce from Sriram College of Commerce, New Delhi, a diploma in international law and diplomacy from the Indian Academy of International Law & Diplomacy, New Delhi and a postgraduate diploma in management from the Indian Institute of Management, Calcutta. Mr. Raina recently received a fellowship in Advanced Leadership Initiatives from the Harvard University, Boston.



Bank's Digital Initiatives

RBL Bank is at the forefront of digitization and technology driven services. RBL Bank's Mobile Banking app (MoBank app) was launched in FY 2015-16 for retail users.

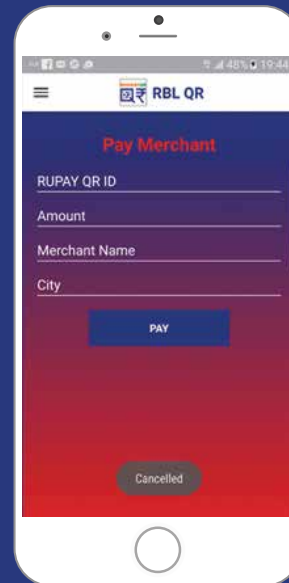
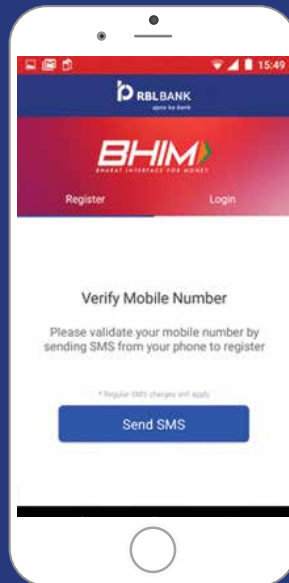
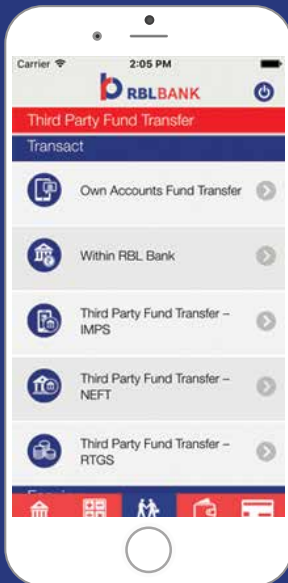
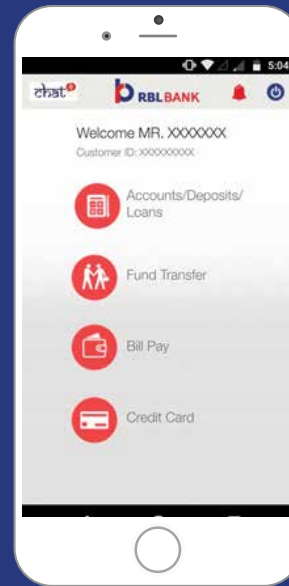
In FY 2016-17 approximately 29.46% retail customers used Internet Banking and 36.72% customers used MoBank facility.

MoBank app can be used for balance checking, general transactions, generating statements, fund transfer across own and third party accounts, UPI and QR code based fund transfer, payment to merchants and

bill and hot listed credit card payment.

Apart from MoBank, the Bank has launched apps like RBL Bank MyCard (app for Credit Card), BHIM RBL Pay (UPI app for RBL Bank), RBL SMS2Bank (SMS and USSD banking app) and RBL CorpAuth (Authorization app for API banking) on Android and iOS platforms.

During FY 2017-18, nearly 75% of Bank's Credit Card customers received their Credit Card statement through electronic means, which helped to reduce usage of paper.



Information Security

In today's digital world safety of financial and non-financial data is critical. RBL Bank values the client's data, and has a robust framework to safeguard it.

The Bank has developed a Privacy Policy, and taken reasonable measures to protect security and confidentiality of customer information. Only authorized employees could access customer information. Employees violating this privacy policy shall be subject to disciplinary process as per the bylaws of the Bank.

The Bank has a Board approved Information Security Policy.

Bank follows International security standards and guidelines released by Centre for Internet

Security (CIS) and National Institute of Standard and technology (NIST) for system hardening. The Bank's information security applications conform to Reserve Bank of India's guidelines on information security, electronic banking, technology risk management and cyber frauds circular DBS.CO.ITC. BC.No.6/31.02.008/2010-11 dated 29th April, 2011, as modified till date.

Bank's operations are ISO/IEC 27001: 2013 (Information security management systems) certified. The Bank has developed vulnerability management programs which are not limited to requirements from The Open Web Application Security Project (OWASP) top 10 for web and mobile applications.

In recognition of its efforts, Bank has won IDRBT Banking Technology Excellence Best Bank Award for Cyber Defense (among small banks) in 2016 and Indian Banking Association's Best IT Risk and Cyber Security Initiatives (among small banks) award in 2017.





Laxman Pansare is a shining example of entrepreneurial spirit, backed by a bank who believed in him. RBL Bank is after all *apno ka bank*

Pillar - Five

Environment

In Belgaum, a district with over five million people, Laxman Pansare's initial story, may not have stood out. He was among the many farmers who toiled to support his family. Despite his best efforts, yields were low, and his meager income was not enough to provide for his family.

Over-dependency on flood irrigation system supported by shallow pumps running on erratic electric supply had led to significant reduction in yields of soya bean, onions, wheat and sugarcane, staples of Belgaum district. Belgaum district is one of the worst draught affected areas of North Karnataka. As many as 3,515 farmers in Karnataka committed suicide between April 2013 and November 2017, out of which 2,525 were due to drought and farm failure, as per statistics provided by the State Agriculture Department. Most of these suicides are centered in the sugar belt of North Karnataka.

Distraught, and looking for a solution, Mr Pansare approached RBL Bank which was conducting a village level meet in the hinterlands of Shamanewadi branch promoting solar pump-set Installation. Mr Pansare's loan was sanctioned quickly and the solar pump-set was installed in March, 2017.

In early 2018, Mr Pansare reported a crop yield enhancement (20-50%) and significant saving in terms of electricity and manpower cost. The low maintenance pumps see little down time. Mr. Pansare is a happy customer, and is advocating other local farmers to take up solar pump-set installation, with support from RBL Bank.

RBL Bank has instituted a dedicated line of credit with support from the Global Climate Partnership Fund (GCPF) to promote sustainable agri-initiatives such as installation of micro-irrigation systems, installation of solar pump-sets, solar home lighting in off grid areas and for replacement of old pump-sets with energy efficient ones.

Farmers like Laxman Pansare are not just a number. He, like many others, is a change agent, who are slowly but surely transforming the face of Indian agriculture. RBL Bank is happy to partner and honor such clients.

Environmental & Social (E&S) Risk Assessment

RBL Bank has adopted an Environmental and Social Management System (ESMS) since June 2013. The ESMS defines the procedure for conducting Environmental and Social (E&S) risk assessment associated with transactions. The RBL Bank is among one of the earliest Indian banks to integrate such an E&S risk assessment process in the credit risk assessment process.

RBL Bank has adopted an Exclusion List following International Finance Corporations' Exclusion List. RBL Bank does not finance any borrower, including the retail borrower whose business activity includes weapons and ammunitions, gambling, alcohol, radioactive materials or unbounded asbestos to name a few.

All large wholesale credit transactions, which do not trigger in the Exclusion List, and have a total exposure above USD 1 million (approximately ₹ 6.5 crore) and a tenor over 12 months are eligible for E&S risk assessment. FY 2017-18, approximately 45% of the Bank's exposure (by value) qualified for E&S risk assessment. Rest were retail, small ticket or Working Capital type transactions having tenor less than 12 months.

The E&S assessment focuses on identifying Environment, occupational health & safety and social

risk (primarily labour and community related risks associated with borrower's operations).

Based on the inherent risk (not residual risk) all transactions are classified as having 'HIGH', 'MEDIUM' or 'LOW' E&S risk. While all transactions and E&S risk are reviewed by the credit team, High and Medium risk transactions are also reviewed by the specialized E&S team.

An integral part of the E&S risk assessment process is the development of risk mitigants or 'Corrective Action Plans'. The Bank actively engages with the Clients to develop these CAPs. Once agreed between the Client, Business, Credit risk and E&S risk teams these are included in the loan agreement to make them binding.

The compliance with the CAPs are monitored by the Relationship Manager (RM) and the Credit Administration Department (CAD). This process is guided by the E&S risk team.



RBL Bank is amongst one of the earliest Indian Banks to integrate E&S risk assessment process in the credit assessment.



RBL Bank's dedicated line of credit Global Climate Partnership Fund (GCPF) for funds renewable energy, energy efficacy projects, leading to reduction in greenhouse gas emissions.

Sustainable Agri-Business Ventures

The Bank has a dedicated line of credit from Global Climate Partnership Fund (GCPF) for funding renewable energy and energy efficacy projects leading to reduction in green house gas emissions.

The Bank is utilizing this line for:

- The Development of micro-irrigation system
- Installation of solar pump-sets
- Installation of solar household lighting equipment in off-grid areas




RBL Bank disburses small loans to farmers to adopt micro-irrigation systems, in which water is supplied at regular intervals to the root zones of crops using perforated pipes. This method significantly reduces water consumption compared to traditional flooding irrigation – the water savings are estimated to be

47% for sugarcane and 33% for banana cultivation. As irrigation relies on electricity-intensive water pumps, using less water reduces electricity consumption, and consequently CO₂ emissions. Estimates based on field survey data show that drip irrigation saves over 1 tCO₂e for sugarcane and almost 0.9 tCO₂e for bananas per hectare.

In FY 2017-18, loans amounting to ₹ 17.75 Crore were disbursed toward installation of micro-irrigation system, solar pump-sets and installation of solar household lighting system.

Solar household lighting contributed nearly 38.3% of the loans, while solar pump-sets contributed 35.1%. Rest was contributed by micro-irrigation system. Average ticket size of loans for solar pumps were higher compared to both products.

Sustainable Agri Products in FY 2017-18

Drip/ Micro irrigation system 		Solar Pump-set 		Solar Lighting 		Grand Total	
No. of Loans	162	No. of Loans	158	No. of Loans	5,024	No. of Loans	5,344
Amount (₹ Crores)	4.65	Amount (₹ Crores)	6.23	Amount (₹ Crores)	6.89	Amount (₹ Crores)	17.75
Ticket Size (₹)	2,90,000	Ticket Size (₹)	3,90,000	Ticket Size (₹)	10,000		

Bank's Environmental Footprint

As part of the Bank's carbon footprint analysis, Scope 1 (i.e. direct GHG emissions from DG set operation and plying of bank's own vehicles) and Scope 2 emission (i.e. upstream indirect GHG emissions from purchased electricity) was measured.

During FY 2017-18, Scope 1 emission was approximately 64.38 tCO₂e, out of which 4.38 tCO₂e was from the operation of DG sets in branches and rest approximately 60 tCO₂e was from the operation of owned vehicles at the Corporate Office, Mumbai; Head Office, Kolhapur and Zonal Office, Delhi.

In FY 2017-18, approx. 8,800 tCO₂e was emitted because of Bank's electricity consumption and consequent upstream emissions. This roughly translates to 1.66 tCO₂e emission/employee.

During FY 2017-18, the Bank recycled 3,354 kg of paper, cardboard and other packaging waste and plastics from its Corporate Office, Lower Parel and National Operating Centre, Goregaon, through Viagreen, an environmental protection organization based in Mumbai.

In April, 2017, the Bank disposed off 15 kg of electronic waste through M/s Greenscape Eco Management Pvt. Ltd., Alwar, a Central Pollution Control Board (CPCB) authorized e-waste recycler.

Renewable Energy Use

The Bank has adopted 100 KWp solar power panels for its 12 rural branches and Head Office in Kolhapur, generating approx. 130 MW of solar power in last FY, and saving approx. 100 tCO₂e per annum.



The Bank has measured Scope 1 (i.e. direct greenhouse gas emissions from DG set operation and plying of own vehicles) and Scope 2 emission (i.e. indirect GHG emissions from purchased electricity).

Bank's Sustainability Journey

E&S

- RBL Bank's Board approves Sustainability Policy.
- Global Climate partnership Fund (GCPF) issues US\$ 20 million senior loan to Bank for financing energy efficiency and GHG reducing projects
- Bank starts Financial Literacy programme in Gujarat in association with International Finance Corporation (IFC) and Swadhaar

- Bank starts Financial Literacy (FL) activity in Gujarat, Maharashtra & Goa under 'Saksham' programme
- Bank starts sustainable agri-business initiatives, like micro irrigation, solar pump sets installation and replacement of pump sets
- Independent impact assessment of micro-irrigation shows positive impacts in terms of water and energy saving, soil and nutrient conservation

- An Environmental, Social and Governance (ESG) Committee established to oversee sustainability across the Bank.
- A full time E&S expert joins the Bank.
- E&S Risk procedure modified to address Climate Change & other risk factors
- Bank starts Financial Literacy activity in Madhya Pradesh in association with CDC Group. Aims at training 25,000 women folks and 27,000 villagers through mass awareness programme

FY 2013-14

FY 2014-15

FY 2015-16

CSR

- RBL Bank CSR Policy is approved by the board
- UMEED cyclothon from Mumbai to Bangalore launched
- Retinopathy & Retinoblastoma clinics started
- Girl child education, skill development and women empowerment activities commence

- UMEED 1000 - a cyclothon from Mumbai to Gurgaon conducted. RBL bank employees participate to raise fund for girl child education
- Skill development of unemployed slum youth in Hyderabad and Bangalore starts

E&S risk team participates in IFC's 'Community of Learning' global ESG event in London

Madhya Pradesh Financial Literacy Programme formally ends

'Saksham' financial literacy programme started in Rajasthan

Bank's first Business Responsibility Report (BRR) published

Bank starts issuing small loans for solar home lighting to people living in offgrid areas

An independent impact assessment of M. P. Financial Literacy program is commissioned. Results show positive behavioral changes in women clients' undergone training

Training of Trainers for Bihar Financial Literacy programme commences. To be conducted in association with CDC Group and Swadhaar

FY 2016-17





13 cyclists from RBL Bank took part in the 3rd edition of the UMEED1000 cyclothon between Mumbai to Hyderabad

Skill development of youth with Deshpande Foundation started in Tier II and Tier III cities

FY 2017-18





The 4th edition of UMEED1000 Cyclothon was conducted from Hyderabad to Vishakhapatnam, where 15 RBL BANK employees participated

Focus on Sustainable Livelihood and Women Empowerment. An workshop held in RBL's Corporate Office

 Branches: 124
 ATMs: 184
 Employees: 1,859
 Customers: 0.54 million





2012 - 2013

- India's Best Bank (Growth) awarded in the mid-sized banks segment by Business Today-KPMG India's Best Banks Study
- Best Indian Banker (small size) by Sunday Standard Best Bankers' Awards
- Fastest Growing Small Bank by Business World-PWC Best Bank Survey

 Branches: 173
 ATMs: 350
 Employees: 2,798
 Customers: 0.83 million

2013 - 2014





- India's Best Bank (Growth) in the mid-sized banks segment by Business Today-KPMG Best Banks Award
- Best Bank (Priority Sector) by Dun & Bradstreet Banking Awards
- Fastest Growing Small Bank by Business World-PWC Best Bank Survey
- Global Growth Company Recognition by the World Economic Forum
- Best Bank (Growth) Financial Express Best Bank Awards

 Branches: 183
 ATMs: 348
 Employees: 3,465
 Customers: 1.53 million





2014 - 2015

- Best Enterprise State Bus Deployment- by Finnoviti Awards
- Banking Technology Excellence Award by IDRBT (Institute for Development & Research in Banking Technology) for 'Use of Technology for Financial Inclusion'
- India's Best Bank (Growth) in the mid-sized banks segment by Business Today-KPMG Best Banks Awards
- India's Best Bank (Small Category) and Best Bank (Quality of Assets) Business Today-KPMG Best Banks Awards
- Fastest Growing Small Bank Business World-PWC Best Bank Survey
- Best Bank (Priority Sector) Dun & Bradstreet Banking Awards
- Best Bank (Growth) Financial Express Best Bank Award

Our Journey So Far

 Branches: 197
 ATMs: 362
 Employees: 3,872
 Customers: 2.2 million

2015 - 2016

 Branches: 239
 ATMs: 375
 Employees: 4,902
 Customers: 3.9 million

2016 - 2017

 Branches: 265
 ATMs: 388
 Employees: 5,300
 Customers: 4.5 million

2017 - 2018

- Best Debit Card Innovation at the MasterCard Innovation Awards for the India Startup Club (ISC) Debit Card
- Best Bank Award for Cyber Defence Asian Banker Technology Implementation Awards
- Best Corporate Payment Project awarded at The Asian Banker Technology Innovation Awards for building the Link Banking platform for corporate customers.
- India's Best Bank (Small category) Business Today-KPMG Best Bank Award
- Financial Express Best Bank Award Awarded at the VC Circle Awards in the Growth category for 2014, 2015 and 2016
- Ernst & Young Entrepreneur of the Year (Financial Services category) Vishwavir Ahuja, MD & CEO, RBL Bank, received the award for being a visionary-entrepreneur and continuously creating value, generating jobs and contributing to building a better working world
- Best IT Risk & Cyber Security Initiative + Best Payment initiative IBA Banking Technology Awards
- Best Growing Small Bank by Business World Best Banks Survey
- Fastest Growing Small Bank Business Today-KPMG Best Banks Award
- India Talent Management Award at CNBC TV18 India Business Leader Awards (IBLA)
- India's Best Bank for five consecutive years (2012 – 2016) in the mid-sized segment (Growth) by a Business Today – KPMG Study
- 'Best Bank of the Year' - Awarded at the Outlook Money Awards
- 'Best Small Bank of the Year' - Awarded at the Business Today Banking Awards
- 'High Growth - Private Sector Bank' Awarded at the Dun & Bradstreet Banking Awards
- Best Small Bank - Awarded at the Business World Magna Awards
- Fastest Growing Bank - Awarded at the Business World Magna Awards
- CNBC IBLA Most Promising Company of the Year Award (2018)
- CNBC ASIA's India Talent Management Award (2017)
- Business World's 'Fastest Growing Small Bank' consistently for five years (2013, 2014, 2015, 2016, 2017)
- Recognized by the World Economic Forum as a 'Global Growth Company' (GGC)




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