

Corporate Governance **Policy**



Investor Relations Cell

Corporate Governance Policy

Prepared By	Investor Relations Cell
Reviewed By	Nomination and Remuneration Committee
Approved By	Board of directors
Issued Date	28.02.2024
Version	8
Revision History	As below
Document Classification	<input type="checkbox"/> Restricted <input type="checkbox"/> Confidential <input type="checkbox"/> Internal <input checked="" type="checkbox"/> Public
Distribution List	Public Document
Document Owner (Department)	Investor Relations Cell

Document Revision History		
Version Details	Date	Details
Version-001	29.03.2016	Formulation of Policy
Version-002	12.01.2017	Annual Review
Version-003	21.03.2018	Amendment to Policy
Version-004	28.05.2019	Amendment to Policy
Version-005	30.07.2020	Amendment to Policy
Version-006	15.09.2021	Amendment to Policy
Version-007	18.02.2023	Amendment to Policy

Index

SL. No.	Topic	Page No.
1.	Preamble	4
2.	Legal Framework	4
3.	Definitions	5
4.	Governance by Board	7
5.	Corporate Culture and Values	8
6.	Board Composition	9
7.	Independent Directors	10
8.	Fit and Proper Criteria for Directors	11
9.	Directorship Positions or Committee Positions held in Other Companies	12
10.	To ensure Disqualifications are not acquired by Directors	12
11.	Avoid Conflict of Interest	12
12.	Attendance & Conduct at Board Meetings and Adequacy of Recording in Minutes	13
13.	Fair and Commensurate Remuneration linked to Performance	14
14.	Generation of Profits, Accumulation, Returns and Making Repayments to Investors	15
15.	Governance through Board Committees	15
16.	Governance by Senior Management Personnel	16
17.	Adhere to Insider Trading Regulations and Avoid Self-Dealing	17
18.	Related Party Transactions	17
19.	Adherence to Policies of the Bank & Code of Conduct prescribed for the Governance Structures and Employees of the Bank	17
20.	Business responsibility and sustainability reporting	18
21.	Principles for Disclosure	18
22.	Significant Institutional Shareholders	19
23.	Appointment and Rotation of Statutory Auditors/Audit/ Partner(s)	19
24.	Reporting Requirement	20
25.	Review of Policy	20

CORPORATE GOVERNANCE POLICY

1. Preamble

Corporate Governance broadly refers to the set of systems, principles and processes by which your Bank is governed while fulfilling the objectives of the Bank and protecting the interest of all the stakeholders in the long run. It is based on principles such as; conducting the business with integrity and fairness; being transparent in all transactions; making all the necessary disclosures; complying with all the applicable laws; accountability and responsibility towards the stakeholders; providing a say in the decision making process to the stakeholders as prescribed under the regulations and being committed to conduct business in an ethical and responsible manner.

Fostering sustainable Corporate Governance brings objectivity, transparency and provide strategic guidance to the Bank so as to ensure effective monitoring of the management and shall be accountable to the Bank and its shareholders. Corporate governance requires the Board of Directors of the Bank to institutionalize a corporate culture and values by which executives forming part of the management shall behave.

2. Legal Framework

With emphasis on transparency, integrity and accountability, the Board of the Bank have implemented best practices in Corporate Governance by framing the "Corporate Governance Policy". The Policy was framed taking into account the relevant statutory provisions under the Banking Regulation Act, 1949, the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), ('Listing Regulations') directives, circulars and other guidelines issued by the regulators from time to time.

This policy on Corporate Governance also draws reference to the requirement made by RBI in its Risk Based Supervision of Banks – An over view of Supervisory Program for Assessment of Risk and Capital (SPARC). It has been mentioned in the said SPARC that a policy on Corporate Governance has to be in place for the Bank and the same has to be shared with RBI as a part of standard documents.

3. Definitions

In this policy, unless the context otherwise requires-

- a) **"Accountable"** means being responsible and answerable for their actions, willing to explain them to others, and taking ownership of all repercussions if so required.
- b) **"Applicable laws"** means the Companies Act, 2013, Secretarial Standards and the rules made thereunder, Banking Regulation Act, 1949 and the circular instructions, directions, rules and regulations issued by Reserve Bank of India from time to time, and includes the Listing Regulations, standards, regulations or other governmental instructions relating to Corporate Governance Guidelines as are applicable to Private Sector Commercial Banks in India. The Bank has also adopted applicable aspects of the National Guidelines on Responsible Business Conduct issued by Ministry of Corporate Affairs dated 15th March 2019.
- c) **"Board"** means Board of Directors of the Bank, as constituted from time to time;
- d) **"Committees"** means Committees of Board constituted by virtue of Directions under Companies Act 2013, RBI's extant guidelines & Listing Regulations or by any other statutory body for the time being in force;
- e) **"Disclosure"** is an organization's practice of reporting to all stakeholders on its economic, environmental and social impacts. It also presents the organization's values and governance model and demonstrates the link between its strategy and its commitment to sustainable development.
- f) **"Ethical"** Individual or collective behavior that is in accordance with accepted written and/or unwritten codes of principles and values that govern decisions, actions and conduct within a business in the context of a particular situation and is consistent with accepted norms of behaviour.
- g) **"Equity" or "Equitable"** means an approach which recognizes the need, plans and delivers a fair and equivalent opportunity across

stakeholders to engage gainfully from their interactions with the business.

- h) **“Governance Structure”** includes the formalized individual or group of individuals charged with the ultimate responsibility of oversight of a business.

For the purpose of this Policy, the Governance Structure of the Bank comprises of Board, Committees of Board and Key Managerial Personnel for the purpose of governing the Bank.

- i) **“Grievance Redressal Mechanism”** Mechanism for any stakeholder individually or collectively to raise and resolve reasonable concerns affecting them without impeding access to other judicial or administrative remedies. The mechanism should be:

- Clear, transparent and have independent governance structures
- Accessible
- Predictable
- Equitable
- Based on dialogue and mediation

- j) **“Intellectual Property”** refers to creations of the mind, such as inventions, literary, musical and artistic works, and symbols, names, images, and designs used in commerce, for which the IP owners are granted certain exclusive rights under the corresponding national IP laws. Common types of IP include patents (inventions), copyrights, trademarks, industrial designs, software, geographic indications and trade secrets, etc.

- k) **“Key Managerial Personnel (KMPs)”** means personnel as defined under Section 2(51) of Companies Act, 2013

- l) **“Listing Regulations”** shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

- m) **“Senior Management”** would include all members of management one level below the MD&CEO (Whole Time Director) i.e., President & COO/ Executive Director and shall specifically include Chief General Manager, General Manager, Chief Financial Officer, Company

Secretary, Chief Risk Officer, Chief Compliance Officer, Chief Information Officer, Chief Technology Officer, Chief Information Security Officer, Chief Vigilance Officer and other functional (vertical) heads.

- n) **"Stakeholder"** includes all individuals or groups concerned or interested with or impacted by the activities of the Bank and vice-versa, now or in the future. Typically, stakeholders of the Bank include, but not limited to, its investors, shareholders, employees, their families, customers, communities, value chain members and other business partners, regulators, civil society actors and media.
- o) **"Sustainability"** means the outcome achieved by balancing the social, environmental and economic impacts of business. It is the process that ensures that business goals are pursued without compromising any of the three elements.
- p) **"Sustainable"** means being aligned with the tenet of meeting the needs of the present without compromising the ability of future generations to meet their own needs.
- q) **"Transparent"** means being open about decisions and activities that affect society, the environment and the economy, and the willingness of businesses to communicate information in clear, accurate, honest, timely and complete manner.

4. Governance by Board

The Board shall be responsible for exercising its business judgments to act in what it reasonably believes to be in the best interests of the Bank and that will enable equitable treatment of its stakeholders. The Board along with its constituted Committees shall provide direction and guidance for the Bank and shall strive to protect all assets of the Bank including Intellectual property and reputation.

As the Directors occupy a fiduciary position, they shall strive to discharge their responsibilities in an honest, just and equitable manner. The Board shall be responsible for carrying out responsibilities and do its functions as set out under Listing Regulations. Directors shall, individually, adhere to their duties as set out by Section 166 of the Companies Act, 2013.

Generally, every director is expected to act in good faith for the bonafide interests of the Bank.

The Board shall be responsible for meeting all its statutory and compliance obligations in line with the spirit of the law and must act in good faith. Good faith presupposes acting honestly with requisite care and diligence. Further the governance of the business affairs including responsibility for the Bank's business strategy and financial soundness, internal organization and setting up governance standards and practices that promote fair competition. Board shall evaluate from time to time policies, projects and programmes of the Bank and carry out an assessment of the risks to ensure that the Bank operates within acceptable levels of risks commensurate to with the risk appetite of the Bank.

The Board should have ability to 'step back' to assist executive management by challenging the assumptions underlying: strategy, strategic initiatives (such as acquisitions), risk appetite, exposures and the key areas of the listed entity's focus.

The Board should ensure that the Bank's policies and reporting structure enables the Committees of Board and Key Managerial Personnel to carry out their responsibilities and facilitate effective decision making and implementation of the desired goals. This includes clearly laying out the roles and responsibilities in the charters of respective committees and establishing control functions that ensure checks and balances.

The Board should actively engage in the material matters that impact the sustainability of the Bank and keep up with material changes in the Bank's business and the external environment as well as act in a timely manner to protect the long-term interests of the Bank. Stakeholders shall have the opportunity to obtain effective redressal if any of their rights vis-à-vis the Bank are violated.

5. Corporate Culture and Values

In order to promote sound corporate culture and values, the Board should ensure the following:

1. set and adhere to corporate values for itself, Key managerial personnel and other employees that create expectations that all business should be conducted in a legal and ethical manner;
2. promoting risk awareness within a strong risk culture, conveying the Board's expectation that it does not support excessive risk-taking and that all employees are responsible for ensuring that the Bank operates within the agreed risk appetite and risk limits;
3. ensuring that appropriate steps are taken to communicate throughout the Bank the corporate values, professional standards or Code of Conduct it sets, together with supporting policies;
4. Employees should be encouraged and able to communicate, confidentially and without the risk of victimization, legitimate concerns about illegal, unethical or questionable practices through the established grievance redressal mechanism. This will be facilitated through the existing Whistle Blower Policy including any modification(s) or revision(s) thereto.
5. The Bank must work towards protecting the interests of its stakeholders and in addition strive to take care of the well-being of people, properties, and other living organisms that are comprised in the environment

6. Board Composition

The Board of Directors is a key construct of a Bank's Corporate Governance framework. Directors have a fiduciary responsibility towards all stakeholders and are expected to act diligently in carrying out their responsibilities. The Composition of the Board of Directors of the Bank is governed by the provisions of Section 10A (2) (a) of the Banking Regulation Act, 1949 and the extant guidelines issued by RBI from time to time, the Companies Act, 2013 and rules made thereunder, Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ("Listing Regulations"), the Articles of Association of the Bank and all other applicable laws and in accordance with the best practices in Corporate Governance.

The composition of Board with varied skills mandated by Applicable Law to ensure Board diversity with its members representing not only

traditional sectors like Agriculture, Rural Economy, Banking, Accountancy, Co-operation, Economics, Finance, MSME, Law etc. but also representing current needs brought about by technological and economic factors covering fields such as Marketing, Risk Management, Payments & Settlement Systems, Credit, Recovery, Information Technology, Strategic Planning, Treasury Operations, Human Resources, etc. The Board shall have an optimum combination of Executive, Non-Executive and Independent Directors including at least one Woman Director with diversity of skills which is an important aspect of a strong Board composition. The Chair of the board shall be an independent director. In the absence of the Chair of the board, the meetings of the board shall be chaired by an independent director. **In terms of RBI Circular dated October 25, 2023, Banks shall have at least two Whole Time Directors (WTDs), including MD&CEO, on the Boards of Banks.**

Being a listed entity the composition of the Board shall also be in conformity with the SEBI guidelines embodied under Listing Regulations which stipulates that the Board shall have an optimum combination of executive, non-executive, Independent directors and Woman director and not less than fifty per cent of the board of directors shall comprise of non-executive independent directors.

Quorum for Board Meetings: The quorum for the board meetings shall be one-third of the total strength of the board or three directors, whichever is higher. At least half of the directors attending the meetings of the board shall be independent directors.

7. Independent Directors

The composition of Board and its Committees shall have sufficient number independent directors who shall be men of eminence, integrity and repute who shall carry out their roles, responsibilities and duties as laid down in Schedule IV to the Companies Act, 2013.

The Independent directors shall –

- (1) Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of Whole Time Directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

8. Fit and Proper Criteria for Directors

In tune with the applicable laws, Bank has put in place a Policy and a system under which a member of the Board will be selected/elected after the Nomination & Remuneration Committee of the Board ["NRC"] finds him/her 'fit and proper' to hold the position of Director of the Bank. In determining the fit and proper status, the NRC shall consider relevant clause of the Policy which include the fit and proper criteria of RBI's extant guidelines such as age, educational qualifications, expertise, track record, integrity and other fit and proper criteria. The fit and proper status shall be considered not only at the time of appointment or re-appointment of a director but also while continuing to hold the position.

The Directors of the Bank shall execute a Deed of covenant every year as at 31st March in the prescribed format. Further annually the "Declaration and undertaking" information in the format specified under RBI guidelines shall be obtained for determining Fit and Proper Criteria in line with the Guidelines issued by the RBI & other regulators for the time being in force.

In compliance with the Provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Bank, One third of such director

shall retire by rotation at every Annual General Meeting ["AGM"]. The retiring director is eligible to seek re-election at the AGM, subject to adherence of fit and proper criteria.

9. Directorship Positions or Committee Positions held in Other Companies

Every Director shall promptly inform the Bank of any appointment of the Director as a Director of another company or a member or the Chairman of any Committee of any of the other companies and of any changes in such Directorship or Memberships/Chairmanship of Committees in other companies in form MBP - 1. The restriction on the number of such positions shall be in accordance with applicable laws.

10. To ensure Disqualifications are not Acquired by Directors

The Bank's Directors shall be subject to the disqualifications prescribed in the Applicable Laws. They shall take necessary steps to ensure that they do not incur any disqualification and in case they do, they shall intimate the Bank immediately and vacate office.

11. Avoid Conflict of Interest

Pursuant to Section 16 of The Banking Regulation Act, 1949, any Director of the Banking Company shall not hold directorship of other Banking Company. Further a Director of the Bank may be a partner or proprietor of other entity, where such partnership or proprietorship doesn't involves or is not likely to involve actual or potential conflicts of interest as a Director of the Bank subject to RBI guidelines/circulars.

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

Board of Directors of the Bank shall be responsible for monitoring and managing potential conflicts of interest of management, members of the Board of Directors and shareholders, including misuse of corporate assets and abuse in related party transactions.

12. Attendance & Conduct at Board Meetings and Adequacy of Recording in Minutes

- ✓ Directors shall endeavor to attend all the meetings of the Board and of committees of which they are members.
- ✓ The Board may, with the Chairman's concurrence, invite Key managerial Personnel or other persons (e.g., external auditors, financial or management experts, and other distinguished personalities) to attend and advise the Board for gaining information or inputs for making certain business decisions as may be appropriate from time to time.
- ✓ Agenda for the Board meeting shall be sent to the members of the Board well in advance. Few agenda items would be placed on table after obtaining permission of the Chairman of the Board and Directors. A Director may suggest the inclusion of an item in the agenda. The agenda placed before the Board shall contain all relevant materials which give full and sufficiently informative so as to take an informed decision by the Board.
- ✓ The Board shall act as a team, to arrive at a consensus on the agenda papers, with the Chairman playing a key role in this regard. Directors shall, however, enjoy full freedom to express their views, and where a Director is unable to go along with the majority, he shall be entitled to have his view suitably reflected in the Board proceedings.
- ✓ Minutes shall contain a fair and correct summary of the proceedings of the Meeting. The minutes of the Board and its Committee meetings will be circulated to all the Board members as per the Applicable Laws and that the minutes of earlier Board meeting as also the Board Committee Meetings will be placed at the next succeeding Board Meeting / Board Committee Meetings for confirmation. Minutes of the Board's Sub Committee meetings will be placed at the next Board Meeting immediately succeeding the Board committee meeting, for information.
- ✓ Agenda items which require decision due to their exigencies or business urgency would be approved by means of Resolutions passed by circulation. Such resolutions passed by circulation are deemed to be passed at a duly convened Meeting of the Board and have equal

authority. All such resolutions passed by circulation shall be subjected to Provisions of Section 175 of Companies Act, 2013

- ✓ Board/Committee Meetings would be conducted as per the requirements of the Companies Act, 2013 read with Secretarial Standard issued by the Institute of Company Secretaries of India, SEBI Listing Regulations, RBI and other statutory guidelines.
- ✓ The minimum information shall be placed before the Board of Directors as specified in Part A of Schedule II of SEBI Listing Regulations as enclosed in Annexure I.
- ✓ The Chief Executive Officer and the Chief Financial Officer shall provide the compliance certificate to the Board of Directors as specified in Part B of Schedule II of SEBI Listing Regulations is enclosed as Annexure II.
- ✓ Directors shall adhere to the DOs and DON'Ts guidelines issued by the RBI vide its circular DBOD. No.BC.94/16.13.100/92 dated March 9, 1992.

13. Fair and Commensurate Remuneration Linked to Performance

1. NRC to recommend the remuneration of the Directors and Key Managerial Personnel of the Bank based on the performance evaluation and Compensation Policy and wherever prescribed, RBI approval and shareholder's approval shall be sought.
2. Details of the remuneration of Directors and Key Managerial Personnel of the Bank shall be disclosed in the Bank's annual report:
 - ✓ all elements of the remuneration package, i.e., fixed component, variable pay, other benefits, bonuses, sitting fees, profit related commission, etc.;
 - ✓ details of any stock options, whether issued at a discount to the market price, and the period over which accrued and over which exercisable.
 - ✓ As may be prescribed in applicable laws from time to time

3. The compensation policy of the Bank shall ensure that the components of fixed and variable pay to executive directors and material risk takers is in line with the guidelines of the Reserve Bank.
4. Board of directors shall ensure that performance evaluation of all Directors / Board as a whole is being carried out and shall be undertaken in an unbiased, structured and transparent manner. At the time of evaluation of directors, the director being evaluated shall abstain from the meeting. The Directors shall ensure that only constructive feedback is given as part of the performance evaluation exercise.

14. Generation of Profits, Accumulation, Returns and Making Repayments to Investors

As much as it is essential for the internal stakeholders of the bank to remunerate themselves, it's quintessential to generate profits to enable statutory payouts and investment payouts.

15. Governance Through Board Committees

In order to focus on the critical functions and to enhance its oversight on the affairs of the Bank, the Board may constitute such Committees as per extant guidelines of the applicable laws. Further the Committees so constituted work under a predetermined framework to ensure that risks faced are mitigated and smooth functioning of the Bank is ensured. Further Board may from time to time on the need basis, constitute special committees for specific purpose, with suitable terms and conditions, as the Board may think fit. The Board shall have the following Committees mandatorily:

- 1) Audit Committee;
- 2) Management Committee of the Board (MCB);
- 3) Nomination and Remuneration Committee;
- 4) Risk Management & Asset Liability Management Committee;
- 5) NPA Management Committee;
- 6) Special Committee for Fraud Monitoring;
- 7) Corporate Social Responsibility & Environment Social and Governance (CSR & ESG) Committee;
- 8) Customer Service and Stakeholders Relationship Committee.
- 9) IT Strategy and Digital Transaction Monitoring Committee; and

10) Review Committee for Wilful Defaulters and Non-cooperative Borrowers.

The terms of reference of the above mentioned Committees shall be determined by the Board from time to time as per the Applicable Law. The members of the Committee shall perform the roles assigned to them as per the terms of reference and shall report to the Board in a manner that enables to make decisions and assess the true performance of the Bank. The Committees shall bring to the notice of the Board, any material, significant or critical events, information or transactions that would have a major impact on the Bank or its stakeholders. The members of the committees shall ensure that when faced with any conflict of interest, they shall abstain from participating in the decisions and make a disclosure of their interest.

16. Governance by Senior Management Personnel

The MD & CEO shall be responsible for conducting the business and the day-to-day operations of the Bank. Senior Management shall assist MD & CEO in the day to day operations of the Bank. The Board shall delegate proper authority to MD & CEO for overseeing the Senior Management and hold them accountable for their actions and enumerate the consequences if those actions are not aligned with the Board's performance expectations. This includes adhering to the Bank's values, risk appetite and risk culture, regardless of financial gain or loss to the Bank. Senior Management shall assist in developing, appropriate policies, strategies, and plans, and enable implementation of the Board- approved policies, strategies & plans.

The Senior Management Personnel shall inter alia:

- (a) Introduce and maintain appropriate data bases and management information systems that can capture, process, and retrieve information needed for the effective functioning of the Board and the management;
- (b) Provide the Board /Board committees, as appropriate, with correct, timely, sufficient, and meaningful information about: the Bank's operations; risk assessment, exposure and management; financial condition; performance vis-à-vis plans; human resources; statutory and regulatory compliance; and other aspects: and

- (c) Promptly inform the Board and/or Board committees, as appropriate, of any market development, business trend, or risk exposure, impairment or loss of the Bank's assets or resources which may have a significant bearing on the Bank's operations or financial condition.

17. Adhere to Insider Trading Regulations and avoid self-dealing

Members of the Board and the Senior Management Personnel and other designated persons of the Bank shall not engage in any insider trading in the Bank's shares, or in any self-dealing involving transactions for themselves or for their relatives as stipulated in Internal Code of Conduct for Prevention of Insider Trading formulated by the Bank pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015

18. Related Party Transactions

The Board should ensure that transactions with related parties are reviewed in line with the Related Party Transactions Policy adopted by the Bank to assess risks and all RPTs are subject to appropriate tests for determining ordinary course of business and arm's length basis to ensure that business resources of the Bank are not misapplied. Necessary approvals, as required under various applicable laws shall be obtained. Transactions prohibited under Applicable laws shall not be undertaken by the Board.

19. Adherence to Policies of the Bank & Code of Conduct prescribed for the Governance Structures and Employees of the Bank

Bank has put in place various policies, which are approved by the Board. All the policies of the Bank shall be subject to provisions contained in the RBI Regulations/Directions, the Companies Act, 2013 and other Applicable Laws. Bank shall conduct its operations/activities within the parameters laid down under these policies. All the policies shall be placed before the Board for review as and when required.

20. Business responsibility and sustainability reporting

There is an increased focus of investors and other stakeholders seeking businesses to be responsible and sustainable towards the environment and society. Thus, reporting of company's performance on sustainability related factors such as Environment, Social and Governance parameters has become as vital as reporting on financial and operational performance.

In line with the requirements of Regulation 34[2(f)] of SEBI Listing Regulations, the Bank shall publish a Business Responsibility and Sustainability Report (BRSR). In order to achieve the desired outcome in implementation of ESG concepts, Bank has formulated a separate policy on ESG parameters and designated senior official of the Bank as Head of Business Responsibility and Sustainability Report (BRSR).

21. Principles for Disclosure

The governance structure of the Bank shall devise mechanisms to ensure timely and accurate disclosures on all material matters including the financial situation, performance, ownership, and governance of the Bank, in the following manner:

1. Information shall be prepared and disclosed in accordance with the prescribed standards of accounting in a true and fair manner with no misrepresentation. In addition to the disclosures required to be made as per the Applicable Laws, both financial and non-financial information, the following additional disclosures shall be made in the annual financial statements in terms of the RBI directions:
 - a. registration / license / authorization by whatever name called, obtained from other financial sector regulators;
 - b. ratings assigned by credit rating agencies and migration of ratings during the year;
 - c. penalties, if any, levied by any regulator as are necessarily to be disclosed;
 - d. information namely, area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries; and
 - e. asset-liability profile, extent of financing of parent company products, Non-Performing Assets (NPA) and movement of NPAs,

details of all off-balance sheet exposures, structured products issued by them as also securitization/ assignment transactions and other disclosures.

- f. Any other information that may be prescribed from time to time.
2. Channels for disseminating information shall provide for equal, timely and cost efficient access to relevant information by users including by posting on website, intranet, to stock exchanges, print and electronic media etc.
3. Notices of meetings shall contain adequate explanatory statements with respect to items of business where shareholders' approval is being sought.
4. Minutes of the meeting shall depict the fair summary of deliberations held in the Board meeting.
5. Stakeholders shall have access to relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in corporate governance process.
6. Board shall respect the rights of stakeholders that are established by law or through mutual agreements and undertake necessary reporting and disclosures as prescribed therein.

22. Significant Institutional Shareholders

The Bank shall encourage the development of constructive and sound working relationships with institutional shareholders (ie. those holding at least 1% each of the Bank's paid up share capital). This may be achieved through systematic contacts at the executive management level with the institutions, and exchange of information and views with them on the Bank. The shareholders shall be free to inform the executive management the Bank's performance, their concerns, suggestions etc., for improving the Bank's performance.

23. Appointment and Rotation of Statutory Auditors/Audit/ Partner(s)

Subject to the provisions contained in the Companies Act, 2013 and the policy on auditor appointment adopted by the Bank, the statutory Auditors of the Bank shall be appointed by the Board. The appointment of statutory auditors by the Board shall be preceded by a resolution of the Audit Committee recommending the appointment including the terms of

their appointment whereby their remuneration may also be recommended for approval of the Board.

The appointment of Statutory Auditors every year shall be with the approval of RBI, before placing the resolution for their appointment at the Annual General Meeting.

The Bank shall also comply with the RBI guidelines and provisions of the Companies Act, 2013 regarding rotation of partners of the Firm conducting Statutory Audit from time to time.

24. Reporting Requirement

In line with the provisions of SEBI Listing Regulations, the Bank shall comply with all Corporate Governance reporting requirements and in line with Regulation 34[2(f)] a Business Responsibility and Sustainability Report (BRSR) describing the initiatives taken from an environmental, social and governance perspective in the format as specified in these regulations shall form part of the Annual Report.

25. Review of Policy

The Board may review the policy from time to time as may be required.

Minimum Information to be placed before Board of Directors as per Regulation of 17(7) of SEBI Listing Regulations

- A. Annual operating plans and budgets and any updates.
- B. Capital budgets and any updates.
- C. Quarterly results for the listed entity and its operating divisions or business segments.
- D. Minutes of meetings of audit committee and other committees of the board of directors.
- E. The information on recruitment and remuneration of senior officers just below the level of board of directors, including appointment or removal of Chief Financial Officer and the Company Secretary.
- F. Show cause, demand, prosecution notices and penalty notices, which are materially important.
- G. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- H. Any material default in financial obligations to and by the listed entity, or substantial nonpayment for goods sold by the listed entity.
- I. Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the listed entity or taken an adverse view regarding another enterprise that may have negative implications on the listed entity.
- J. Details of any joint venture or collaboration agreement.
- K. Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- L. Significant labour problems and their proposed solutions. Any significant development in Human Resources/ Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- M. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- N. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- O. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

Compliance Certificate as per Regulation of 17(8) of SEBI Listing Regulations

As stipulated under Regulation 17(8) of the SEBI Listing Obligations & Disclosure Requirements Regulations (LODR) 2015, we hereby certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March XXXX and that to the best of our knowledge and belief these statements :
 - I. do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - II. together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's code of conduct.

- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee of the Board, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- d) We have indicated to the auditors and the Audit Committee of the Board :
 - I. significant changes in internal control over financial reporting during the year;
 - II. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - III. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee



having a significant role in the company's internal control system over financial reporting.

Managing Director and CEO

General Manager and CFO

Place:

Date: