



Report on Corporate Governance

A report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (“the SEBI Listing Regulations”) for the Financial Year 2021-22 is given herein below:

PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. The Bank fosters a culture in which high standards of ethical behavior, individual accountability and transparent disclosure are ingrained in all its business dealings and shared by its Board of Directors, Management and Employees. The Bank has established systems and procedures to ensure that its Board of Directors are well-informed and well-equipped to fulfil its overall responsibilities and to provide the management with the strategic direction needed to create long-term shareholder value. The Bank places utmost importance in creating value for all its stakeholders and it actively promotes sustainable business practices. The Bank promotes a safe, healthy and happy workplace and always strives to be the employer of choice. The Bank’s initiatives towards improving its Environmental, Social and Governance (ESG) performance and its contribution towards Sustainable Development Goals is placed in the Annual Report.

BOARD OF DIRECTORS

A. Composition of the Board

The Board has an optimum combination of Executive and Non-Executive Directors with Independent Directors constituting more than one-third of its total strength. As on March 31, 2022, Bank’s Board comprises of 11 Directors out of which eight Directors are Non-Executive Directors and three are Executive Directors, including one woman executive director. The Bank has a Non-Executive Independent Chairman and seven other Independent Directors, including one woman Independent Director. The Board represents diverse combination of professionalism, knowledge, expertise and experience as relevant for the banking business. Detailed profile of our Directors is available on the website of the Bank at <https://www.federalbank.co.in/key-personnel>.

The composition of the Board is governed under the relevant provisions of the Companies Act, 2013 read

with the relevant rules made thereunder, the SEBI Listing Regulations, the Banking Regulation Act, 1949, the guidelines issued by the Reserve Bank of India (RBI), as amended, from time to time and the Articles of Association of the Bank. None of our Directors serve as Director in more than seven listed companies and none of the Executive Directors serve as Independent Directors in any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Director is an ID.

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors’ Databank maintained with the Indian Institute of Corporate Affairs. The present tenure of Independent Directors of the Bank is subject to Regulation 10 A of the Banking Regulation Act, 1949 and also subject to the tenure fixed for appointment of all the Independent Directors of the Bank by the shareholders/Board. As required under Regulation 46 of the SEBI Listing Regulations, as amended, the terms and conditions of appointment of IDs including their roles, responsibilities and duties are available on our website at <https://www.federalbank.co.in/shareholder-information>.

During the Financial Year 2021-22, none of our Directors served as Member in more than 10 Committees or as Chairperson in more than 5 committees across all listed entities where they serve as a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders’ Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

None of the Directors or their relatives are related to each other. None of the Directors have any business relationship with the Bank nor have received any loans and advances from the Bank during the year. The Bank has not issued any convertible instruments; hence, disclosure in this respect is not applicable.

The composition of the Board and Directorships held as on March 31, 2022 are given below;

Name of the Directors	Category	Number of Directors	% to total number of Directors
Mr. C Balagopal	Non - Executive Independent Directors	8	72.73
Mr. A P Hota			
Mr. Siddhartha Sengupta			
Mr. Manoj Fadnis			
Mr. Sudarshan Sen			
Ms. Varsha Purandare			
Mr. Sankarshan Basu			
Mr. Ramanand Mundkur			
Mr. Shyam Srinivasan	Executive Directors	3	27.27
Mr. Ashutosh Khajuria			
Ms. Shalini Warriar			
Total		11	100

During the year, Mr. C Balagopal (DIN: 00430938) was appointed as Part Time Chairman of the Bank w.e.f. November 22, 2021 till June 28, 2023 as approved by RBI vide its letter dated September 09, 2021. Mr. Sankarshan Basu (DIN: 06466594) and Mr. Ramanand Mundkur (DIN: 03498212) were appointed as an Additional Non-Executive Independent Director on the Board of the Bank for a period of five years effective from October 01, 2021. The shareholders in the 90th Annual General Meeting held on July 09, 2021 approved the appointment of Ms. Varsha Purandare (DIN: 05288076) as an Independent Director of the Bank for a period of five (5) years with effect from September 08, 2020, not liable to retire by rotation. The shareholders in the 90th Annual General Meeting held on July 09, 2021 approved re-appointment of Mr. Shyam Srinivasan (DIN: 02274773) as Managing Director & Chief Executive Officer of the Bank

for a period of one year with effect from September 23, 2020 to September 22, 2021. The Shareholders further approved the re-appointment of Mr. Ashutosh Khajuria (DIN: 05154975) as Executive Director of the Bank for the period from April 01, 2021 to April 30, 2022, and Mr. A P Hota (DIN- 02593219) as an Independent Director of the Bank for his second term, with effect from July 10, 2021 up to January 14, 2026 (both days inclusive)

Ms. Grace Koshie (DIN- 06765216), Non – Executive Non- Independent Director of the Bank, retired from the Directorship of the Bank effective from November 21, 2021, upon completion of her tenure of 8 years in the Bank in accordance with the regulatory requirements of RBI/MCA. Mr. K Balakrishnan, retired from the Board of the Bank as an Independent Director w.e.f. September 24, 2021 upon completion of his tenure (September 25, 2018 till September 24, 2021). The Board placed its appreciation for the valuable contributions made by Ms. Grace Koshie and Mr. K Balakrishnan for the overall development of the Bank.

Mr. Shyam Srinivasan (DIN: 02274773), Managing Director & Chief Executive Officer of the Bank was re-appointed as Managing Director and Chief Executive Officer of the Bank for a period of three years effective from September 23, 2021 with the approval of RBI vide its letter . DOR. GOV. No. S289/08.38.001/2021-22 dated July 09, 2021.

Mr. Ashutosh Khajuria (DIN: 05154975), Executive Director was re-appointed as the Executive Director of the Bank effective from May 01, 2022 to April 30, 2023 with the approval of RBI vide its letter DOR. GOV. No. S441/08.38.001/2022-23 dated April 21, 2022.

B. No. of Board Meetings, Attendance and other Directorships/ Committee memberships

Nineteen (19) Board meetings were held during the financial year ended March 31, 2022. These were held on April 29, 2021, May 17, 2021, May 28, 2021, June 11, 2021, June 16, 2021, June 29, 2021, July 23, 2021, August 12, 2021 [September 01, 2021 (Adjourned meeting of Board Meeting dated August 12, 2021)], September 22, 2021, October 07, 2021, October 22, 2021, November 16, 2021, [November 17, 2021 (Adjourned meeting of Board Meeting dated November 16, 2021)], December 20, 2021, January 12, 2022, January 25, 2022, February 08, 2022, March 14, 2022, March 24, 2022 and March 30, 2022. The maximum gap between any two consecutive meetings was less than one hundred and twenty days, as stipulated under the Companies Act, 2013, Regulation 17 of the SEBI Listing Regulations and Secretarial Standards. The requisite quorum was present for all the meetings.



Relevant details of the Board of Directors of the Bank as on March 31, 2022 are given below:

Name of the Director	Attendance Particulars			No. of Directorships and Committee positions in other Public Companies (1 & 2)			Shareholding in the Bank (equity shares of ₹2/- each) (As on March 31, 2022)
	No. of Board Meetings		Attendance at the last AGM held on July 09, 2021	Other Directorships [#]	Committee Memberships	Committee Chairmanships	
	Held	Attended					
Mr. C Balagopal	19	16	Yes	1	Nil	Nil	Nil
Mr. A P Hota	19	19	Yes	3	3	Nil	Nil
Mr. Siddhartha Sengupta	19	19	Yes	4	2	1	Nil
Mr. Manoj Fadnis	19	19	Yes	4	1	3	Nil
Mr. Sudarshan Sen	19	19	Yes	1	1	Nil	Nil
Ms. Varsha Purandare	19	18	Yes	9	6	4	Nil
Mr. Ramanand Mundkur ¹	19	10	NA	Nil	Nil	Nil	Nil
Mr. Sankarshan Basu ¹	19	10	NA	Nil	Nil	Nil	Nil
Ms. Grace Koshie ²	19	12	Yes	Retired from the Board of the Bank as Chairperson and Non-Independent Non-Executive Director w.e.f. November 21, 2021 upon completion of her tenure of 8 years on the Board of the Bank.			
Mr. K Balakrishnan ³	19	8	Yes	Retired from the Board of the Bank as an Independent Director w.e.f. September 24, 2021 upon completion of his tenure			
Mr. Shyam Srinivasan	19	19	Yes	2	Nil	Nil	7,98,595 equity shares
Mr. Ashutosh Khajuria	19	19	Yes	1	1	Nil	4,52,000 equity shares
Ms. Shalini Warriar	19	18	Yes	1	Nil	Nil	Nil

¹ Mr. Ramanand Mundkur & Mr. Sankarshan Basu joined as Independent Director of the Bank w.e.f. October 01, 2021.

² Ms. Grace Koshie retired from the Board of the Bank as Chairperson and Non - Independent Non – Executive Director w.e.f. November 21, 2021 upon completion of her tenure of 8 years on the Board of the Bank.

³ Mr. K Balakrishnan retired from the Board of the Bank as an Independent Director w.e.f. September 24, 2021 upon completion of his tenure (September 25, 2018 till September 24, 2021).

Note:

1. Directorships in Indian Public Companies (listed and unlisted) excluding The Federal Bank Limited and Section 8 Companies.
2. In terms of Regulation 26(1)(b) of the SEBI Listing Regulations, the disclosure includes chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee in other Indian Public companies (listed and unlisted) excluding The Federal Bank Limited. Further, membership excludes positions as Chairperson of Committee.

[#] Details of other Board Directorships are separately mentioned in Annexure 1 to this report.

C. List of core skills/ experience/competencies identified by the Board

The Members of the Board are committed to ensuring that the Board is in compliance with the highest standard of Corporate Governance. The Bank considers the principles relating to fit and proper norms as prescribed by the RBI and confirms that each Director is also in compliance with the norms as prescribed by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (SEBI) under applicable laws, whilst determining the composition of its Board.

Section 10A (2) of the Banking Regulation Act, 1949 read with RBI notification no. DBR. Appt. BC. No.38/29.39.001/ 2016-17 dated November 24, 2016, requires that not less than 51% of the total number of members of the Board of Directors of a banking company shall comprise of persons who shall have special knowledge or practical experience, in respect of one or more of the matters, namely: Accountancy, Agriculture and rural economy, Banking, Co-operation, Information Technology, Credit, Treasury Operations, Human resources, Governance, Compliance, Economics, Finance, Small – Scale Industry, Law, Payment & settlement systems, Risk management, Business Management. The Bank is in compliance with the above requirements as the Directors of the Bank has rich experience and specialized knowledge in the said areas of relevance to the Bank.

The Bank has identified above skills/expertise/competencies as required to be possessed by its Board, in the context of its businesses and the sectors, for it to function effectively. The details of the names of the Directors possessing the required skills/expertise/competencies are detailed as under:

Board Skill Matrix

Whether the skill set/area of expertise/knowledge is possessed by the Director of the Company

Skill set/Area of expertise/Knowledge	Mr. C. Balagopal	Mr. A P Hota	Mr. Siddhartha Sengupta	Mr. Manoj Fadnis	Mr. Sudarshan Sen	Ms. Varsha Purandare	Mr. Ramanand Mundkur	Mr. Sankarshan Basu	Mr. Shyam Srinivasan	Mr. Ashutosh Khajuria	Ms. Shalini warrior
KNOWLEDGE											
Specialisation / Expertise in one or more fields	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
In the field of:											
Banking	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes	Yes
Economics	Yes	-	-	Yes	Yes	-	Yes	Yes	-	-	Yes
Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes
Compliance	Yes	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes	Yes
Law							Yes				
Agriculture	Yes	-	-	-	-	Yes			-	Yes	-
Rural Economy	Yes	-	-	-	-	-			-	-	-
Information Technology	-	Yes	-	-	-	Yes			Yes	-	Yes
Payment and Settlement Systems	-	Yes	-	-	-	-			Yes	-	Yes
Investment Banking	-	-	-	Yes	-	-	Yes		-	-	-
Finance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Accountancy	-	-	-	Yes	Yes	-			-	Yes	Yes
Management	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Risk Management	-	-	Yes	-	Yes	Yes		Yes	Yes	Yes	-
Credit	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes
Treasury Operations	-	-	Yes	-	Yes	Yes		Yes	Yes	Yes	-
SSI	Yes	-	Yes	-	-	Yes			-	Yes	-
Retail Lending	-	-	-	-	-	Yes			Yes	-	Yes
Wealth Management	-	-	-	-	-	-			Yes	-	Yes
SME Banking	-	-	Yes	-	-	Yes			Yes	-	Yes
Investment	Yes	Yes	Yes	Yes	Yes	Yes			Yes	Yes	Yes
Human Resource			Yes								
Co- Operation	Yes							Yes			
Business Management			Yes		Yes	Yes					

D. Board Procedure

The Board has complete access to all information within the Bank. All the meetings are conducted as per well designed and structured agenda and in line with the compliance requirement under the Companies Act, 2013, SEBI Listing Regulations and applicable Secretarial Standards prescribed by ICSI. All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which is circulated separately in advance or placed at the meeting) to enable the Board/Committee to discharge their responsibilities effectively and take informed decisions. Agenda also includes minutes of the previous meetings of all the Board and unlisted subsidiaries for the information of the Board. The information as mentioned in Part A of Schedule II of the SEBI Listing Regulations is placed before the Board at its meeting for its consideration, whenever applicable. The Board/ Committee agenda and notes are uploaded on the Bank's e-meeting portal wherein the Directors can review the same in a secure environment and at their convenience. Video conferencing facility is provided to facilitate Directors to participate in the meetings. The members of the Board exercise due diligence in performance of their functions as Directors of the Bank and follow highest degree of business ethics, transparent practices and code of good governance

amidst cordial environment. For any business exigencies, the resolutions are passed by circulation and later placed at the subsequent Board / Committee Meeting for noting.

The Board/Committee has an effective post meeting follow up procedure. Items arising out of previous Board/ Committee Meetings and their follow up action report are placed at the immediately succeeding meeting for information of the Board/ Committees.

The Board has established procedures to periodically review compliance report pertaining to all laws applicable to the Bank as well as steps taken by the Bank to rectify instances of non - compliance, if any.

The Board of Directors has satisfied itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management.

The Minutes of the Board/Committee meetings are circulated to the Chairman and other Members of the Board/Committee for their comments/inputs in accordance with the Secretarial Standards on meetings of the Board of Directors (SS-1) issued by the Institute of Company Secretaries of India (ICSI).



E. Remuneration to Directors

During the year, Mr. Shyam Srinivasan, Managing Director & Chief Executive Officer, was paid ₹29,445,130.00 (gross), Mr. Ashutosh Khajuria, Executive Director was paid ₹15,194,240.00 (gross) and Ms. Shalini Warriar, Executive Director was paid ₹14,609,104.00 (gross) in accordance with the terms and conditions approved by Reserve Bank of India.

The Non-Executive Independent Directors, except Chairman of the Board, are paid only sitting fees and profit related commission for attending every meeting of the Board/ Committees of the Board within the limits as prescribed under the Companies Act, 2013 and Banking Regulation Act, 1949. For Chairman, besides honorarium as permissible under Banking Regulations Act, 1949, and rules/regulations made thereunder, he /she was paid only sitting fees for attending every meeting of the Board / Committees of the Board.

No pecuniary relationship/transaction exists for Independent Directors/Non-Executive Directors vis-à-vis the Bank, other than payment of sitting fees for Board/ Committee meetings/ monthly remuneration during the year as per law. The Independent Directors of the Bank also had no pecuniary relationship with the Bank, its subsidiary or associate companies or their promoters or directors during the three immediately preceding financial years or during the current financial year.

During the Financial Year 2021-22, the Bank did not advance any loan to any of its Directors.

The criteria of making payments to Independent Directors/ Non-executive Directors of the Bank are contained in the Comprehensive Compensation Policy for Non-Executive Directors and is available on the website at <https://www.federalbank.co.in/shareholder-information>.

The Non-Executive Directors are paid sitting fees as per the provisions of Companies Act, 2013 and as per SEBI Listing Regulations as indicated below:

Sl No.	Name of Directors	Sitting fee paid to Non-Executive Directors for FY 2021-22 (In ₹)
1	Mr. C Balagopal	1,825,000.00
2	Mr. A P Hota	2,950,000.00
3	Mr. Siddhartha Sengupta	3,170,000.00
4	Mr. Manoj Fadnis	2,690,000.00
5	Mr. Sudarshan Sen	2,750,000.00
6	Ms. Varsha Purandare	3,000,000.00
7	Mr. Ramanand Mundkur	2,210,000.00
8	Mr. Sankarshan Basu	1,730,000.00
9	Ms. Grace Koshie*	1,410,000.00
10	Mr. K Balakrishnan*	955,000.00

Note:

In addition to above sitting fees;

- ₹5.00 lakhs each were paid to Mr. C Balagopal, Mr. A P Hota, Mr. K Balakrishnan, Mr. Siddhartha Sengupta, Mr. Manoj Fadnis and Mr. Sudarshan Sen towards profit related commission. Mr. K Balakrishnan retired from the Board of the Bank as an Independent Director w.e.f. September 24, 2021 upon completion of his tenure.
- ₹1.47 lakhs and ₹2.81 lakhs were paid to Ms. Shubhalakshmi Panse and Ms. Varsha Purandare respectively towards profit related commission.
- Mr. C Balagopal was appointed as Part - Time Chairman of the Bank w.e.f. November 22, 2021 consequent to the retirement of Ms. Grace Koshie. ₹ 8.96 Lakhs was paid to Mr. C Balagopal as honorarium during the year.
- *₹ 11.55 Lakhs was paid to Ms. Grace Koshie towards honorarium. Ms. Grace Koshie retired from the Directorship of the Bank effective from November 21, 2021, upon completion of her tenure of 8 years in the Bank.

The details of remuneration paid to Mr. Shyam Srinivasan, MD & CEO, Mr. Ashutosh Khajuria and Ms. Shalini Warriar, Executive Directors during FY 2021-22 are as under:

Particulars	Mr. Shyam Srinivasan MD & CEO (₹)	Mr. Ashutosh Khajuria ED (₹)	Ms. Shalini Warriar ED (₹)
Basic Pay	22,500,000.00	2,600,004.00	2,600,004.00
Allowances & Perquisites	6,945,130.00	7,751,403.00	7,166,267.00
Stock Option*	-	3,542,833.00	3,542,833.00
Severance fees	-	-	-
Variable Pay (Cash)	Nil	1,300,000.00	1,300,000.00
Total	29,445,130.00	15,194,240.00	14,609,104.00

*Fair Value of Stock Options granted as per the Guidelines on Compensation of Whole-Time Directors / Chief Executive Officers / Material Risk Takers and Control Function staff, issued by the RBI on November 04, 2019

Note:

- In addition to above, employer contribution to Provident Fund of ₹22,50,000/- was paid to Mr. Shyam Srinivasan, MD & CEO, ₹260,004/- was paid to Mr. Ashutosh Khajuria, Executive Director and ₹260,004/- to Ms. Shalini Warriar, Executive Director during the FY 2021-22.
- During FY 2021-22, Mr. Shyam Srinivasan, MD & CEO has relinquished 780,000 Stock Options (non- cash) and ₹3,150,000/- (cash) offered to him as Variable Pay pertaining to FY 2020-21.

F. Separate Meeting of Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 during the year the Independent Directors met on June 15, 2021, April 27, 2022 and June 29, 2022 without the presence of Non-Independent Directors. The meetings of Independent Directors were chaired by Mr. C. Balagopal, Independent Director.

All the Independent Directors attended the meeting held on April 27, 2022. The Independent Directors, inter alia, evaluated the performance of the Independent Directors and the Board of Directors as a whole and Committees of the Board, evaluated the performance of the Chairman of the Board after taking into account the views of Executive and Non-Executive Directors and discussed aspects relating to the quality, quantity and timeliness of the flow of information between the Bank, the Management and the Board for FY 2021-22. In the meeting held on June 29, 2022, all the Independent Directors have evaluated the performance of the Non-Independent Directors for the FY 2021-22. In the meeting held on June 29, 2022, Independent Directors evaluated the performance of the Non-Independent Directors for the FY 2021-22.

G. Familiarization Program for Independent Directors

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation to enable them to familiarize with the Bank, its management and its operations so as to gain a deep understanding of the Bank, its people, values and culture and facilitates their active participation in overseeing the performance of the Management. At the time of appointing a Director, a formal letter of appointment is given to the Independent Director, which inter alia explains the role, function, duties and responsibilities of him/her as a Director of the Bank.

The Senior Management make presentations giving an overview of the Bank's strategy, operations, products, markets, group structure and subsidiaries, Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy

On an on-going basis, periodic presentations are made at the Board and Committee meetings on Risk Dash Board / ICAAP and Brand Perception Study etc. The Directors are also provided with quarterly update on relevant statutory changes, judicial pronouncements and important amendments.

The details of orientation given to our existing Independent Directors are available on our website <https://www.federalbank.co.in/shareholder-information>.

The roles, functions and duties of Independent Directors are disclosed in the Code of Conduct for the Board of Directors and Management and the same is available on the Bank's website <https://www.federalbank.co.in/shareholder-information>.

H. Directors and Officers Insurance

In compliance with Regulation 25 (10) of the SEBI Listing Regulations the Bank had undertaken Directors and Officers insurance ('D and O insurance') for all its Directors, including Independent Directors, for a quantum and risks as determined by the Board of Directors of the Bank.

I. Performance Evaluation Criteria for Independent Directors of the Bank

The performance evaluation criteria for Independent Directors include:

- a. Attendance at the Board and Committee meetings
- b. Study of agenda papers in depth prior to meeting and active participation at the meeting.
- c. Contributes to discussions on strategy as opposed to focus only on agenda
- d. Participate constructively and actively in the Committees of the Board in which they are Members.
- e. Exercises his/her skills and diligence with due and reasonable care and brings an independent judgment to the Board
- f. The Director remains abreast of developments affecting the company and external environment in which it operates independent of his being appraised at meetings.
- g. Knowledge and Competency:
 - How the person fares across different competencies as identified for effective functioning of the entity and the Board
 - Whether the person has enough understanding and knowledge of the entity and the sector in which it operates.

The outcomes of the evaluation of the Independent Directors of the Bank and Performance evaluation criteria of Non - Independent Directors are detailed in Directors' Report.

BOARD COMMITTEES AND ITS TERMS OF REFERENCE

The Committees of the Board play an important role in the governance structure of the Bank and have been constituted to focus on specific areas and make informed decisions within the



delegated authority. Each Committee is guided by its Charter or Terms of Reference, which provides for the composition, scope, powers, duties and responsibilities. The recommendation and/or observations or decisions are placed before the Board for information or approval. The Chairman of respective Committee updates the Board regarding the discussions held / decisions taken at the Committee Meeting. Details on the role and composition of Board Committees, including the number of meetings held during the financial year and the related attendance are provided below.

A. Audit Committee

Composition & Meetings

As on March 31, 2022, Audit Committee comprises of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021-22, the Audit Committee met 16 (Sixteen) times on May 14, 2021, May 17, 2021, June 21, 2021, [June 24, 2021 (Adjourned Meeting of Audit Committee Meeting dated June 21, 2021)] June 28, 2021, July 23, 2021, July 24, 2021, September 13, 2021, [September 20, 2021 and September 25, 2021 (Adjourned Meetings of Audit Committee Meeting dated September 13, 2021)] October 05, 2021, October 22, 2021, November 08, 2021, December 23, 2021, January 19, 2022, January 25, 2022, January 28, 2022, February 17, 2022 and March 21, 2022. The time gap between any two meetings was less than one hundred and twenty days.

The details of attendance of members and composition are as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
CA Manoj Fadnis	Independent Director	Chairman	16	16
Mr. A P Hota	Independent Director	Member	16	16
Mr. Sudarshan Sen	Independent Director	Member	16	14
Mr. Ramanand Mundkur ¹	Independent Director	Member from 02.10.2021	16	09
Ms. Shalini Warriar ²	Executive Director	Ceased to be a member on 12.08.2021	16	06

¹Mr. Ramanand Mundkur joined as a member of the committee w.e.f. October 02, 2021

²Ms. Shalini Warriar ceased to be a member of the Committee on August 12, 2021.

During the financial year 2021-22, the Committee was re-constituted twice on August 12, 2021 and October 02, 2021.

CA Manoj Fadnis, who was the Chairman of Audit Committee, attended the AGM held on July 09, 2021.

The terms of reference of the Audit Committee as incorporated in the Bank's Code of Corporate Governance, are in accordance with the SEBI Listing Regulations, Companies Act, 2013 and RBI guidelines.

Terms of Reference/ Roles and Responsibilities of the Committee are:

1. Review the company's financial and risk-management policies, and, where necessary, recommend changes for the Board's approval.
2. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
3. Review periodically the adequacy of internal control systems (including the asset-liability management and risk-assessment and management systems) with the management and external and internal auditors, assure itself that the systems are being effectively observed and monitored, and, where necessary, approve changes or recommend changes for the Board's approval;
4. Review the adequacy of the internal audit function, including -
 - a. monitoring and reviewing the effectiveness of the Internal audit function;
 - b. the structure of the internal audit department, staffing, and the suitability and seniority of the official heading it, reporting structure coverage, and the frequency of internal audit, and, where necessary, approve changes;
 - c. approving internal audit plan, scope and budget;
 - d. reviewing and discussing internal audit reports;
 - e. ensuring internal audit function maintains open communication with senior management, external auditors, the supervisory authority, and the audit committee;
 - f. assessing the performance of the head of the internal audit function; and
 - g. approving / recommending to the Board for its approval, the appointment, re-appointment or removal of the head of the internal audit function and the key internal auditors;
5. Discussion with internal auditors of any significant findings and follow up there on.

6. Discussion with the Head of Internal Audit in a private session, in the absence of the management, on issues of interest.
7. Reviewing the findings of any internal investigations by the internal auditors or vigilance officials into matters where there is actual or suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board
8. Review of adequacy of internal control systems and internal audit functions through structural reporting formats specifically designed for the purpose, submitted by the respective functional heads. Engage one-to-one interaction with the functional heads so as to assure itself that the systems are being effectively managed. Direct the functional heads to implement necessary systems to plug the deficiencies in/ improve internal control, risk management and reporting systems and require them to report compliance with the directives to the Committee periodically
9. Review and have oversight of the Bank's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient, and credible, and present a true and fair view of the state of affairs and of the profit or loss of the Bank for the relevant financial year or other period as the case may be;
10. Recommend to the full Board for shareholders' approval, the appointment, reappointment, removal, or replacement and terms of appointment of auditors, and the fee payable to them for the audit, taking into consideration any relationship between the auditors and the Bank that may impact on the independence of the auditors in carrying out the audit.
11. Approve the terms of engagement of the services of the external/statutory auditors for rendering any other professional services to the Bank and the fee therefore;
12. Discuss with the external auditors, before they commence the audit, the nature and scope of the audit, and ensure coordination where more than one audit firm is employed.
13. Reviewing and examine with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i) any changes in accounting policies and practices and reasons for the same.
 - ii) major accounting entries involving estimates based on the exercise of judgment by management
 - iii) significant adjustments made in the financial statements arising out of audit findings;
 - iv) compliance with the applicable accounting standards;
 - v) compliance with listing and other legal requirements relating to financial statements, and RBI guidelines and directives, concerning financial policies and statements;
 - vi) to review the company's statement on internal control systems prior to endorsement by the Board
 - vii) the going-concern assumption;
 - viii) disclosure of any related-party transactions, i.e., transactions of the Bank with the Directors, senior executives, their relatives, or associated concerns, that may potentially conflict with the Bank's interests at large; and
 - ix) modified opinion(s) in the draft audit report;
 - x) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
14. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
15. Review with the external auditors, without the presence of the executive directors and Bank officials, and summarize their conclusion (in writing) at a full Board in the presence of the external auditors and without the presence of the management (Executive Directors, Bank Officials etc.)
 - i) The auditors' report on the annual, half-yearly, and quarterly financial statements,
 - ii) Their assessment of the internal control and reporting systems and procedures, the quality of the accounting principles applied and significant judgments affecting the statements, and the Bank's compliance with statutory and regulatory requirements, and
 - iii) The auditors' long-form audit report and management letter and the management's response, and
 - iv) Any concerns of the auditors with respect to the said systems and procedures, the financial statements, any aspect of compliance, or any other matter arising from or related to the audit;
16. Discuss with the management the auditors' report and assessment, their qualifications and concerns, if any, and the management's response to the auditors' management letter and long-form audit report;



17. Review with the management, and if necessary with the external auditors, any inspection or other report of RBI on the Bank or other communication from RBI on the audit, internal controls, financial reporting, or other aspects of the Bank falling within the remit of the Committee, and the management's response thereto;
18. To review and oversight the functioning of the Whistle Blower mechanism.
19. Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Approval or any subsequent material modification of transactions of the Bank with related parties. ACB, shall review applicable information, for approval of a proposed RPT in line with regulatory requirements from time to time. The audit committee shall define "material modifications" and disclose it as part of the policy on materiality of related party transactions and on dealing with related party transactions
21. Valuation of undertakings or assets of the Bank, wherever it is necessary;
22. Evaluation of internal financial controls and risk management systems.
23. Monitoring the end use of funds raised through public offers and related matters.
24. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
25. Scrutiny of inter-corporate loans and investments, if any;
26. To consider and approve/grant omnibus approval for certain Related Party Transactions (RPTs)
27. Perform any other function or duty as stipulated by the Companies Act, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws as may be prescribed from time to time.
28. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
29. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
30. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
31. Review arrangements by which staff of the bank may confidentially raise concerns about possible improprieties in matters of financial reporting.
32. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
33. Periodic reviews on borrower entities in which directors of any willful defaulter companies are present
34. The Audit Committee of the Board shall:
 - i) ensure that senior management is taking necessary corrective actions to address the findings and recommendations of internal auditors and external auditors in a timely manner;
 - ii) address control weaknesses, non-compliance with policies, laws and regulations and other problems identified by internal auditors and external auditors, and
 - iii) ensure that deficiencies identified by supervisory authorities related to the internal audit function are remedied within an appropriate time frame and that progress of necessary corrective actions are reported to the board of directors.
35. Review of Internal Financial Control (IFC) process including Risk Control and Self- Assessment (RCSA).
36. Review of Position pertaining to opening of Internal/branch GL heads, the purpose for which used and its reconciliation on a quarterly basis.
37. Oversee the Ind AS implementation process at quarterly intervals.
38. Ensure adequate coverage of internal audit to satisfy effective implementation of policies and procedures.

39. Constitute a Committee of Executives named the Inspection Review Committee of Executives to oversee the Inspection and Audit functions and review the structure and functions of the Committee periodically.
40. The audit committee shall review the status of long-term (more than one year) or recurring RPTs on an annual basis
41. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
42. To review the policy for empanelment of advocates on an yearly basis
43. Review of Supervisory/regulatory compliance reports including Risk Mitigation Plan submitted to RBI
44. Review of responses to the regulator with respect to Regulatory Non- compliances
45. Periodical review of the Compliance functions through quarterly and annual reports submitted by Compliance Department

Powers of Audit Committee:

The Audit Committee shall have the authority –

- a) to call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board.
- b) to discuss any related issues with the internal and statutory auditors and the management of the company.
- c) to investigate into any matter in relation to the items referred to it by the Board.
- d) to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice
- e) to have full access to information contained in the records of the Bank

Review of information by Audit Committee as per LODR, Regulations, 2015

The Audit Committee shall mandatorily review the following information:

- i. Management discussion and analysis of financial condition and results of operations;

- ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iii. Internal audit reports relating to internal control weaknesses; and
- iv. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee
- v. Statement of deviations:
 - a) quarterly statement of deviation(s) in the use of proceeds of public / rights / preferential issue from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable; (if any)
 - b) quarterly statement indicating category-wise variation (capital expenditure, sales and marketing, working capital etc.) between projected utilization of funds in the offer document for public / rights / preferential issue or explanatory statement of to the notice for the general meeting, as applicable and the actual utilization of funds;
 - c) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of issue of securities of any nature. (if any)
 - d) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of issue of securities of any nature. (if any)
- vi. Review the financial statements of unlisted subsidiary, in particular, the investments made by unlisted subsidiary.

Other matters

1. In carrying out its functions as aforesaid, the Committee shall have full access to information contained in the Bank's records and may seek information from any employee of the Bank, or, if considered necessary, obtain outside legal or other professional advice, or discuss with outsiders having the relevant expertise, and thereafter place the same to the Board.
2. The chairperson of the committee shall be present at Annual general meeting to answer shareholder queries.
3. The Company Secretary shall act as the secretary to the Audit committee.



4. The minutes of the Committee meetings and decisions taken by the Committee shall be promptly submitted to the Board.
5. The Auditors and key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.

B. Nomination, Remuneration, Ethics and Compensation Committee

Composition and Meetings

As on March 31, 2022, the Nomination, Remuneration, Ethics and Compensation Committee comprises of members as stated below. The composition of the Committee is in conformity with the regulatory requirements, with all Directors being Non-Executives and more than fifty per cent of them being Independent Directors. Chairman of the Committee is an Independent Director. The Committee also includes one member from Risk Management Committee of the Board.

During the financial year 2021- 22, the Nomination, Remuneration, Ethics and Compensation Committee met 06 (Six) times on June 09, 2021, June 17, 2021, July 14, 2021, August 09, 2021, September 14, 2021 and December 14, 2021.

The details of the attendance of the members are as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. A P Hota ¹	Independent Director	Chairman	6	6
Mr. C Balagopal	Independent Director	Member	6	6
Mr. Siddhartha Sengupta ²	Independent Director	Member	6	1
Ms. Grace Koshie ³	Non-Executive Non-Independent Director	Member till November 10, 2021	6	5

¹Mr. A P Hota was appointed as Chairman of the Committee with effect from November 10, 2021. Mr. C Balagopal ceased to be the Chairman of the Committee with effect from November 10, 2021.

²Mr. Siddhartha Sengupta joined as a member of the Committee w.e.f. September 25, 2021

³Ms. Grace Koshie ceased to be a member of the Committee on November 10, 2021 consequent to retirement from the Board of the Bank w.e.f. November 21, 2021.

During the financial year 2021-22, the Committee was re- constituted twice on September 25, 2021 and November 10, 2021.

Mr. C Balagopal, who was the Chairman of Committee attended the AGM held on July 09, 2021.

Terms of Reference/ Roles and Responsibilities of the Committee are:

1. recommending to the Board for its consideration and approval on the size and composition of the Board taking into account the available and needed diversity and balance in terms of experience, knowledge, skills, and judgment of the Directors;
2. reviewing, from time to time, possible candidates for current or potential Board vacancies, including Directors who are to retire and are eligible for reappointment or re-election and other persons who may be recommended by the Chairman or the MD&CEO or other Directors, shareholders or others;
3. recommending to the Board, candidates for election (including re-election) or appointment (including reappointment) to the Board. For every appointment of an independent director, the Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates
4. carrying out evaluation of every director's performance.
5. deciding on the matter of whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment

and removal; formulation of the criteria for determining qualifications, positive attributes and independence of a director;

7. devising a policy on diversity of board of directors;
8. recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

The Committee shall ensure the following while formulating the policy as above:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors, key managerial personnel and senior management of the quality required to run the Bank successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Bank and its goals.
9. Formulating and determining the Bank's policies on remuneration packages payable to the Directors and key managerial personnel including performance/ achievement bonus, perquisites, retiral, sitting fees.
 10. Considering grant of Stock Options to employees.
 11. Reviewing the composition of the existing Committees of the Board.
 12. Formulation of criteria for performance evaluation of Independent Directors and the Board;
 13. Validation of 'fit and proper' status of all Directors on the Board of the Bank in terms of the Guidelines issued by the RBI or other regulatory authorities;
 14. Developing and recommending to the Board the Corporate Governance guidelines applicable to the Bank for incorporating best practices from time to time;
 15. Recommend to the board, all remuneration, in whatever form, payable to senior management*

* senior management shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer

Other Matters

1. The Chairperson of the Nomination, Remuneration, Ethics and Compensation Committee may be present at the Annual General Meeting, to answer the shareholders' queries; However, it shall be up to the chairperson to decide who shall answer the queries.
2. The Company Secretary, who shall also act as the secretary to the Committee, shall ensure that all appointments or elections of Directors to the Board are properly made, and shall obtain all necessary information from the Directors or candidates recommended by the Committee to ensure that they are not disqualified to act as Directors of the Bank under any statute or regulatory directives or guidelines, and that by appointing or electing them as Directors the Bank would meet its statutory and regulatory obligations and those arising from listing requirements of stock exchanges on which the Bank's shares are listed.
3. Perform any other function or duty as stipulated by the Companies Act, Reserve Bank of India, Securities and Exchange Board of India, Stock Exchanges and any other regulatory authority or under any applicable laws as may be prescribed from time to time.

The Chairman, the MD&CEO and/or other Executive Directors shall not participate in discussions by the Board on matters relating to his/their compensation package or any components thereof.

C. Stakeholders Relationship Committee

Composition and Meetings

As on March 31, 2022, Stakeholders Relationship Committee consists of members as stated below. The composition of the Committee is in conformity with the regulatory requirements. Mr. A P Hota, Chairman of Committee, attended the AGM held on July 09, 2021. Mr. Samir P Rajdev, SVP& Company Secretary acts as the Compliance Officer.

During the financial year 2021- 22, the Committee met One (01) time on March 15, 2022



The details of the attendance of the members are as under:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. A P Hota	Independent Director	Chairman	01	01
Mr. C Balagopal	Independent Director	Member	01	01
Mr. Shyam Srinivasan	Executive Director	Member	01	01
Mr. Ashutosh Khajuria	Executive Director	Member	01	01

During the financial year 2021- 22, there was no re-constitution of the Committee

Terms of Reference/ Roles and Responsibilities of the Committee are:

1. Review, where necessary, complaints received from shareholders or others regarding transfer/ transmission of shares, non-receipt of declared dividends, non-receipt of annual accounts or reports, or other matters relating to shareholding in the Bank, and any action taken by the Bank on such complaints;
2. Initiate such (further) action on the complaints as is considered necessary or desirable by way of redressal or to prevent similar complaints arising in the future; and
3. Approve or reject applications for transmission of shares referred to the Committee by the Bank's Registrar and Share Transfer Agent in terms of such criteria as may be determined by the Committee and conveyed to the Agent.
4. To oversee and review all matters connected with transfers, transmissions, dematerialization, rematerialisation, splitting and consolidation of securities issued by the Bank, issue of duplicate share certificates;
5. Review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar & Share Transfer Agent.
6. Recommends measures for overall improvement in the quality of investor services;
7. Review of measures taken for effective exercise of voting rights by shareholders

8. Review of the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
9. Approve the allotment for release of shares kept under abeyance of the Bank in compliance with court order.

Other matters

The chairperson of the committee or, in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the Bank to answer queries of the security holders.

The Bank attended to the complaints promptly and to the satisfaction of the shareholders. Details of complaints received and resolved by the Bank during the financial year 2021-22 are given below:

Complaint pending for redressal at the beginning of the year	Total complaints received during the year	Number of complaints redressed	Number of complaints pending for redressal
Nil	3	3	Nil

As on March 31, 2022 , apart from the complaints, around 1323 requests/information were received from the shareholders relating to change of address, nomination requests, email id and contact details updation, IFSC / MICR code updation, National Automated Clearing House (NACH) Mandates, queries relating to the annual reports, request for re-validation of dividend warrants and other investor related matters. This requests/information has also been responded.

D. Credit, Investment and Raising Capital Committee

Composition and Meetings of Credit, Investment and Raising Capital Committee

As on March 31, 2022, the Credit, Investment and Raising Capital Committee consisted of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021-22, the Credit, Investment and Raising Capital Committee met twelve(12) times on October 30, 2021, November 13, 2021, [November 20, 2021 (Adjourned Meeting of Credit, Investment & Raising Capital Committee of the Board dated November 13, 2021)] December 15, 2021, December 18, 2021, December 24 2021, December 28, 2021, January 12, 2022, January 20, 2022, February 05, 2022, February 25, 2022, March 16, 2022 and March 28, 2022.

The details of attendance of members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Siddhartha Sengupta	Independent Director	Chairman	12	12
Ms. Varsha Purandare	Independent Director	Member	12	12
Mr. Sankarshan Basu	Independent Director	Member	12	12
Mr. Ramanand Mundkur	Independent Director	Member	12	12
Mr. Shyam Srinivasan	Executive Director	Member	12	11
Mr. Ashutosh Khajuria	Executive Director	Member	12	11

During the financial year 2021-22, Credit Committee and Investment and Raising Capital Committee were merged to form Credit, Investment and Raising Capital Committee with effect from October 02, 2021.

E. Credit Committee

Composition and Meetings of Credit Committee:

As on October 02, 2021, the Credit Committee of the Board consisted of members as stated below. The composition of the Committee was in conformity with the regulatory requirements.

During the financial year 2021-22, the Credit Committee met Six (06) times on April 20, 2021, June 02, 2021, July 01, 2021, July 29, 2021, August 31, 2021, [September 04, 2021 (05th Adjourned Meeting of Credit Committee Meeting dated August 31, 2021)] and September 28, 2021

The details of attendance of members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. K Balakrishnan ¹	Independent Director	Chairman till September 25, 2021	06	04
Mr. Siddhartha Sengupta ²	Independent Director	Chairman	06	06
Mr. C Balagopal	Independent Director	Member	06	05
Ms. Varsha Purandare	Independent Director	Member	06	06
Mr. Shyam Srinivasan	Executive Director	Member	06	06
Mr. Ashutosh Khajuria	Executive Director	Member	06	06

¹Mr. K Balakrishnan ceased to be a member of the Committee effective from September 25, 2021 consequent to retirement from the Board of the Bank.

²Mr. Siddhartha Sengupta was appointed as Chairman of the Committee w.e.f. September 25, 2021

F. Investment and Raising Capital Committee

Composition and Meetings of Investment and Raising Capital Committee

As on October 02, 2021, the Investment and Raising Capital Committee consisted of members as stated below. The composition of the Committee was in conformity with the regulatory requirements.

During the financial year 2021-22, the Committee met three (03) times on April 13, 2021, May 31, 2021, and September 27, 2021

The details of attendance of members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Siddhartha Sengupta	Independent Director	Chairman	03	03
Ms. Varsha Purandare	Independent Director	Member	03	03
Mr. Shyam Srinivasan	Executive Director	Member	03	03
Mr. Ashutosh Khajuria	Executive Director	Member	03	03

Terms of Reference of Credit, Investment and Raising Capital Committee are:

1. Consider proposals for approval, renewal, or modification of various types of funded and non-funded credit facilities to clients.
2. Monitor the credit exposures of the Bank, review the adequacy of the credit risk and compliance of statutory and regulatory norms.
3. Periodically review the large corporate advances appearing in SMA lists and standard restructured advances.
4. Take note of the details of credit facilities sanctioned by MD level committee and call for more particulars/comments/clarifications, if found necessary.
5. Take note of the details of compromise settlements approved by the ED and MD level committees and call for more particulars/comments/clarifications, if necessary.
6. Periodically review Non-Performing Assets of large value (₹5 Crore and above).
7. Committee has the power to approve compromise proposals as per delegation in the NPA management policy.



8. Committee shall recommend the compromise proposals beyond their power to the Board of Directors for approval.
9. Status report of the position of assets sold to ARCs under Security Receipt Basis held as investment.
10. Any other matter of materialist information that management deems fit for reporting to the committee for noting, review, ratification or approval.
11. Consider proposals for approval of Investments of the Bank within such authority as delegated to it by the Board from time to time.
12. Approve the Policies related to the Treasury Investment and Trading activities and recommend the same to the Board.
13. Approve the new products launched by the Treasury Department and recommend the same to the Board.
14. Review of the investment activities, risk management thereof, and policies, internal control systems and compliance of statutory, regulatory and other applicable norms.
15. Approve the capital raising program of the Bank and recommend the same to the Board.
16. Periodic review of Bank's investments in Subsidiaries, JVs & Associates in addition to other unlisted investments including VCF/ PE and strategic investments.
17. Any divestment of shares in Subsidiaries/ JVs and Associates should be put up to this Committee for vetting before submitting to Board for approval.

G. Risk Management Committee

Composition and Meetings

As on March 31, 2022, the Risk Management Committee consisted of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021 -22, the Committee met Five (5) times on June 18, 2021, June 22, 2021, September 08, 2021, December 16, 2021 and February 25, 2022.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Sudarshan Sen	Independent Director	Chairman	05	05
Ms. Grace Koshie ¹	Non-Executive Director	Member	05	03
Mr. Siddhartha Sengupta	Independent Director	Member	05	05
Mr. Sankarshan Basu ²	Independent Director	Member	05	02
Mr. Shyam Srinivasan	Executive Director	Member	05	05
Mr. Ashutosh Khajuria ³	Executive Director	Member	05	02

¹Ms. Grace Koshie ceased to be a member of the Committee on November 10, 2021 on retirement from the Board of the Bank

²Mr. Sankarshan Basu joined as a member of the Committee w.e.f. November 10, 2021

³Mr. Ashutosh Khajuria ceased to be a member w.e.f. August 12, 2021.

During the financial year 2021- 22, the Committee was re- constituted twice on August 12, 2021 and November 10, 2021

Terms of Reference/ Roles and Responsibilities of the Committee are:

Risk Management Committee shall approve/ recommend to the Board to approve the policy, strategy and methods for risk management, by evaluating the overall risks faced by the Bank and determining the acceptable level of risks, its management and control in the best interest of the Bank. The Committee shall oversee all risk management functions in the Bank and undertake the following functions.

- a) Recommend to the Board to approve the policies and strategies for implementing bank-wide integrated risk management system, for addressing various risks faced by the Bank.
- b) Review the Risk Appetite framework formulated in line with bank's strategy and recommend the same to the board for approval.
- c) Oversee functions of Credit Risk Management Committee (CRMC), Market Risk Management Committee (MRMC also known as Asset Liability Management Committee - ALCO), Operational Risk Management Committee (ORMC), Information Security Committee (ISC) and E&S committee (Environmental & Social).

- d) Recommend to the Board policies and guidelines for measurement, management and reporting of credit risk, market risk and operational risk.
- e) Recommend to the Board risk mitigation and stop-loss parameters in respect of all the three risks. Ensure adherence to the risk appetite limits set by the Board.
- f) Ensure management processes (including people, systems, operations, limits and controls) for implementing risk management systems.
- g) Ensure robustness and effectiveness of financial / rating models and their appraisal systems for assessing various risks faced by the Bank.
- h) Review of the Internal Capital Adequacy Assessment Process. (ICAAP)
- i) Review of credit rating process, fixation of exposure ceilings for various types of exposures, geographies, sectors, industries etc. and based on internal / external rating, borrower category/ groups etc.
- j) Ensure availability of qualified and competent officers and risk managers in the Integrated Risk Management Department for ensuring effectiveness of risk management systems in the Bank.
- k) Decide/approve adoption of technology/appropriate and adequate MIS system needed for risk management.
- l) Reinforce the culture and awareness of risk management throughout the organization that would attach high priority on effective risk management and adherence to sound internal controls.
- m) Review of functions related to management of Business continuity, Reputation risk, Model risk, Strategic risk, Information & cyber security risk, outsourcing risk and Pension obligation risk.
- n) Review of procedure for product approval
- o) Review of Stress Testing methodology, Stress Scenarios, stress testing results and monitor the actions plans and corrective measures. Decide additional provision requirements on exposure to stressed sectors.
- p) Review of Liquidity risk management including Contingency Funding Plans and contingency funding under stress scenario.

- q) Risk Management Committee of the Board to meet with the Chief Risk Officer of the Bank independently on one to one basis without the presence of MD & CEO on a quarterly basis.
- r) Ensure effective implementation of Environmental and Social Management System (ESMS) across the bank.
- s) The Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary

Powers of the Risk Management Committee (RMC)

RMC shall exercise the following powers, subject to approval by the Board.

- a) Review of the policy and strategy for integrated risk management covering credit, market and operational risks.
- b) Review of the risk limits and exposure ceilings of the Bank, and its periodic review as and when needed.
- c) Review standards / delegation for credit dispensation.
- d) Review of the risk categories under Credit Risk Assessment (CRA) system and classification as acceptable and unacceptable category and periodic changes needed to such classification.
- e) Review of systems and tools for management of all the three categories of risks.
- f) Reviewing norms for Loan Review Mechanism (LRM), level of dependence on the system and all related procedures
- g) Analyzing credit rating migration/ Default studies of large value exposures to assess quality and concentration of credit exposures.
- h) Reviewing norms/ceilings for maturity profile and mix of the incremental assets and liabilities.
- i) Fixing of tolerance levels for Liquidity risk monitoring, interest rate sensitivity/EaR, trigger points for realignment of assets/liabilities
- j) Review the functions of the CRMC, ALCO, ORMC and ISC from time to time.



- k) Reviewing policy for interest rate view/funding/ pricing of products etc. of the Bank.
- l) Ensuring capital adequacy management with due regard to various risks impacting the balance sheet.
- m) Monitor and review the non-compliance, limit breaches, audit / regulatory findings, and policy exceptions with respect to risk management.
- n) Recommending to the Board to approve reviews on assessment, monitoring and controlling of non-quantifiable risks like strategic risk, reputation risk, outsourcing risk etc.

H. Customer Service, Marketing Strategy & Digital Banking Committee

As on March 31, 2022, the Customer Service, Marketing Strategy & Digital Banking Committee consisted of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021- 22, the Committee met 4 (four) times on June 05, 2021, September 22, 2021, December 10, 2021 and March 15, 2022.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. K Balakrishnan ¹	Independent Director	Chairman till 24.09.2021	04	02
Ms. Grace Koshie ²	Non-Executive Non-Independent Director	Chairperson till 10.11.2021	04	02
Ms. Varsha Purandare ³	Independent Director	Chairperson	04	04
Mr. Ramanand Mundkur ⁴	Independent Director	Member	04	02
Mr. Shyam Srinivasan	Executive Director	Member	04	03
Ms. Shalini Warriar	Executive Director	Member	04	04

¹Ms. K Balakrishnan ceased to be a member of the Committee w.e.f. September 25, 2021 consequent to his retirement from the Board of the Bank.

²Ms. Grace Koshie became Chairperson of the Committee w.e.f. September 25, 2021 till November 10, 2021.

³Ms. Varsha Purandare became Chairperson of the Committee w.e.f. November 10, 2021

⁴Mr. Ramanand Mundkur joined as a Member of the Committee w.e.f. November 10, 2021.

During the financial year 2021-22, the Committee was re-constituted twice on September 25, 2021 and November 10, 2021.

Terms of Reference/ Roles and Responsibilities of the Committee are:

In respect of Customer Service, the key roles & responsibilities of the Committee are provided below:

1. Approving the various policies that relate to customer service ; examples thereof include and are not limited to :
 - a. Comprehensive Deposit Policy
 - b. Policy on Settlement of Claims Related to Assets of Deceased Customers
 - c. Grievance Handling process
 - d. Collection of cheques
2. Reviewing metrics and indicators that provide information on the state of customer service in the Bank; providing direction to the management of the Bank on actions to be taken to improve the metrics
3. Reviewing the actions taken/ being taken by the Bank to standardize the delivery of customer experience across all branches
4. Reviewing results of the surveys conducted that provide quantitative and qualitative information on the state of customer experience
5. Providing inputs on the products introduced by the Bank with a view to ensure suitability and appropriateness
6. Monitoring the implementation of the Banking Ombudsman Scheme with particular reference to:
 - a. Reviewing all the awards against the Bank with a focus on identifying issues of systemic deficiencies and the Bank's plan to address these deficiencies
 - b. Reviewing all awards that remain unimplemented after 3 months from the date of the award with the reasons thereof; to report to the Board such delays in implementation without valid reasons and for initiating remedial action
7. Review, on an overall basis, the customer service aspects in the Bank on the basis of the detailed memorandum submitted in this regard and report to the Board of Directors thereafter; this is done once every six months and based on the review, the Committee will direct the Bank to initiate prompt corrective action wherever service quality / skills gaps have been noticed

8. Monitoring the activities of the Standing Committee on Customer Service (executive level committee) on a quarterly basis.
9. Review of minutes of product and process approval committee
10. Biennial audit of depositor services
11. Review of relevant instructions issued by other regulators
12. Review of cases reported under Limited Liability in unauthorized electronic banking transactions Policy.
13. Review of details of claims received from legal heirs of deceased depositors/locker hirers/depositors of safe custody articles and pending cases beyond the stipulated period, on a yearly basis.

In respect of the Marketing functions of the Bank, the key roles & responsibilities of the Committee are provided below:

1. Reviewing the Bank's marketing strategy; providing direction on areas of focus
2. Providing direction on the communication strategy and media focus
3. Reviewing the Bank's progress in implementing the marketing strategy

In respect of Digital Banking, the key roles & responsibilities of the Committee are provided below:

1. Reviewing the Bank's Digital Banking strategy; providing direction on areas of focus
2. Reviewing the progress made on the metrics relating to Digital Banking; these metrics cover performance metrics as determined by the Board of Directors (as part of the annual budget) and also cover metrics that are determined by the Government of India from time to time and to review the customer service rendered on digital platform from time to time.
3. Progress on various new initiatives and partnerships
4. Approving various policies relating to Digital Banking; including and not limited to:
 - (a) Merchant Acquisition Policy

I. Special Committee of the Board for Monitoring and Follow up of Cases of Frauds

Composition and Meetings

As on March 31, 2022, the Special Committee of the Board for Monitoring and Follow up of Cases of Frauds consist of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

As required under the RBI regulations, all fraud cases of ₹1 Crore and above are considered by the Committee and as directed by the Audit Committee, all fraud cases of ₹1 Lakh and above are reported to this Committee.

During the financial year 2021- 22, the Committee met 4 (four) times on, June 23, 2021, November 08, 2021, December 23, 2021 and February 21, 2022.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shyam Srinivasan	Executive Director	Chairman	04	04
CA Manoj Fadnis	Independent Director	Member	04	04
Mr. Ramanand Mundkur ¹	Independent Director	Member	04	03
Mr. Sankarshan Basu ²	Independent Director	Member	04	02
Mr. Ashutosh Khajuria	Executive Director	Member	04	03
Ms. Shalini Warriar ³	Executive Director	Member till 02.10.2021	04	01
Ms. Grace Koshie ⁴	Non-Executive Non-Independent Director	Member till 10.11.2021	04	02

¹Ms. Ramanand Mundkur joined as a member of the Committee w.e.f. October 02, 2021

²Mr. Sankarshan Basu joined as a member of the Committee w.e.f. November 10, 2021

³Ms. Shalini Warriar ceased to be a member of the Committee w.e.f. October 02, 2021

⁴Ms. Grace Koshie ceased to be a member of the Committee w.e.f. November 10, 2021 consequent to her retirement from the Board of the Bank.

During the financial year 2021-22, the Committee was re-constituted twice on October 02, 2021 and November 10, 2021.

Terms of Reference/ Roles and Responsibilities of the Committee are:

The major functions of the Committee would be to monitor and review all frauds of ₹100 Lakh and above so as to:



- i. Identify the systemic lacunae if any that facilitated perpetration of the fraud and put in place measures to plug the same.
- ii. Identify the reasons for delay in detection, if any, reporting to top management of the bank and RBI.
- iii. Monitor progress of CBI/Police investigation and recovery position.
- iv. Ensure that staff accountability is examined at all levels in all the cases of frauds and staff side action, if required, is completed quickly without loss of time.
- v. Review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls.
- vi. Put in place other measures as may be considered relevant to strengthen preventive measures against frauds.

All the frauds involving an amount of ₹100 lakh and above should be monitored and reviewed by SCBF. The periodicity of the meetings of the Committee may be decided according to the number of cases involved. In addition, the Committee should meet and review as and when a fraud involving an amount of ₹100 lakh and above comes to light. Information of Frauds of ₹100 lakh and above shall be reported to the Special Committee of the Board for Monitoring & follow up of cases of Frauds (SCBF) immediately on detection through Circular Resolution Memorandum, followed by placing the Noting of the Circular Resolution before the immediate next meeting of SCBF.

In addition to the monitoring and review of frauds of ₹100 Lakh and above,

1. The Committee shall monitor and review the progress of the mitigating steps taken by the Bank in case of Cyber and Electronic Banking frauds and the efficacy of the same in containing the number of frauds and values at least on a quarterly basis.
2. The Committee shall review the Red Flagged Accounts (RFA) and the remedial actions proposed by the Fraud Monitoring Group (FMG), when an account is classified as RFA.

J. Committee for Human Resources Policy

Composition and Meetings

As on March 31, 2022, the Committee for Human Resources Policy consisted of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021-22, the Committee met 2 (two) times August 30, 2021 and December 17, 2021.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Siddhartha Sengupta	Independent Director	Chairman	02	02
Mr. K Balakrishnan ¹	Independent Director	Member till 25.09.2021	02	00
CA Manoj Fadnis	Independent Director	Member	02	02
Mr. Shyam Srinivasan	Executive Director	Member	02	02

¹Mr. K Balakrishnan ceased to be a member of the Committee w.e.f. September 25, 2021 consequent to his retirement from the Board of the Bank

During the financial year 2021-22, the Committee was re-constituted once on September 25, 2021

Terms of Reference/ Roles and Responsibilities of the Committee are:

1. To Review HR Strategy aligning with business strategy of the Bank
2. Periodic review of existing HR policy of the Bank.
3. To review productivity levels of employees benchmarking with peers in the industry
4. To review compensation policy of the Bank
5. To review Learning Initiatives
6. To review Talent pool creation/ Succession Planning Policy
7. To review Funding Superannuation Policy
8. To review periodic HR Plans and Activities

K. Information Technology & Operations Committee

The Information Technology and Operations Committee of the Board shall advise on the strategic direction of the Technology and Operations functions within the Bank.

As on March 31, 2022, the Information Technology & Operations Committee consist of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021-22, the Committee met 4 (four) times on June 25, 2021, September 29, 2021, December 09, 2021 and March 04, 2022.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. A P Hota	Independent Director	Chairman	04	04
Ms. Varsha Purandare	Independent Director	Member	04	03
Mr. Shyam Srinivasan	Executive Director	Member	04	04
Ms. Shalini Warriar	Executive Director	Member	04	04

During the financial year 2021-22, the Committee was not re-constituted.

Terms of Reference/ Roles and Responsibilities of the Committee are

In respect of the Technology functions of the Bank, the key roles & responsibilities of the Committee are provided below:

1. Recommending to Board for approval of IT strategy and policy documents and reviewing the same from time to time.
2. Ensuring that the management has put an effective strategic planning process in place
3. Ensuring that the IT strategy is indeed aligned with business strategy.
4. Ensuring that the IT organizational structure complements the business model and its direction
5. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business
6. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
7. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources
8. Ensuring proper balance of IT investments for sustaining bank's growth
9. Becoming aware about exposure towards IT risks and controls. And evaluating effectiveness of Management's monitoring of IT risks through oversight over the proceedings of the Information Security Committee

10. Assessing Senior Management's performance in implementing IT strategies
11. Issuing high-level policy guidance (e.g. related to risk, funding, or sourcing tasks)
12. Confirming whether IT or business architecture is to be designed, so as to derive the maximum business value from IT
13. Overseeing the aggregate funding of IT at a bank-level, and ascertaining if the management has resources to ensure the proper management of IT risks
14. Reviewing IT performance measurement and contribution of IT to businesses

In respect of the Operations functions of the Bank, the key roles & responsibilities of the Committee are provided below:

1. Ensuring that the management has put an effective strategic planning process in place for operational activities that balances risk, customer experience and costs reviewing the same from time to time
2. Ensuring that the Operations organizational structure complements the business model and its direction
3. Ensuring that management has put in place effective steps to mitigate operational risks relating to the core operational processes of the Bank
4. Issuing high-level policy guidance (e.g. related to risk, funding, or sourcing tasks)
5. Reviewing metrics and measurement relating to operational processes so as to ensure due contribution to the business

Board members and Management officials shall engage in and promote honest and ethical conduct of Bank's business in a professional manner in order to protect Banks public image and reputation. Board members and Senior Management officials must act honestly, while discharging their duties. Board members are required to discharge certain duties as mentioned in Section 166 of the Companies Act, 2013 and the duties ,roles and functions of Independent Directors as contained in Schedule IV of the Companies Act, 2013 .

L. Corporate Social Responsibility Committee

As on March 31, 2022, the Corporate Social Responsibility Committee (CSR Committee) consist of members as stated



below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021-22, the CSR Committee met 3 (three) times on June 10, 2021, November 11, 2021 and February 23, 2022.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. K Balakrishnan ¹	Independent Director	Chairman till 24.09.2021	03	01
Mr. A P Hota ²	Independent Director	Chairman till 23.03.2022	03	03
Mr. C Balagopal ³	Independent Director	Chairman	03	00
Mr. Sankarshan Basu ⁴	Independent Director	Member	03	02
Mr. Shyam Srinivasan	Executive Director	Member	03	03
Mr. Ashutosh Khajuria	Executive Director	Member	03	02
Ms. Shalini Warriar	Executive Director	Member	03	02

¹Mr. K Balakrishnan ceased to be a member of the Committee w.e.f. September 25, 2021 consequent to his retirement from the Board of the Bank.

²Mr. A P Hota was appointed as the Chairman of the Committee w.e.f. September 25, 2021 till March 23, 2022. Mr. A P Hota ceased to be a member of the committee w.e.f. March 24, 2022

³Mr C Balagopal joined the Committee and appointed as the Chairman w.e.f. March 24, 2022

⁴Mr. Sankarshan Basu joined as a member of the Committee w.e.f. October 02, 2021

During the year, the Committee was re-constituted thrice on September 25, 2021, October 02, 2021 and March 24, 2022

Terms of Reference/ Roles and Responsibilities of the Committee are:

The CSR Committee shall:

1. Formulate and recommend to the Board for approval, the Corporate Social Responsibility Policy which shall indicate the activity or activities to be undertaken by the Bank in areas or subjects as specified in schedule VII of the Companies Act, 2013 ;
2. Guide and monitor the activities of the Bank in the area of CSR such that the spends are in line with the activities stipulated in the CSR Policy

3. Provide inputs, on an ongoing basis, to the formulation of strategic objectives and tactical plans that would help ensure the Bank is able to fulfill its corporate social responsibilities in a responsible and effective manner
4. Recommend the amount of expenditure to be incurred on the activities undertaken by the Bank.
5. Overseeing Environmental, Social and Governance (ESG) Reporting and review of various activities of the Bank under the prescribed ESG Framework.
6. Recommend to the Board about approach and direction of CSR
7. Formulate and recommend to the Board an annual action plan in pursuance of CSR Policy including
 - (a) the list of CSR projects or programs that are approved to be undertaken in areas of subjects specified in Schedule VII of Companies Act, 2013
 - (b) the manner of execution of such projects or programs as specified in rule 4(1) of CSR Rules
 - (c) the modalities of utilization of funds and implementation schedules for the projects or programs
 - (d) monitoring and reporting mechanism for the projects or programs; and
 - (e) details of need and impact assessment , if any, for the projects undertaken by the Company, appointment of independent agency for undertaking impact assessment
8. Recommendation to the Board for transfer of unspent amount related to on - going project to separate bank account and unspent amounts other than ongoing projects, to funds specified in Schedule VII to the Act

Monitoring of all projects(ongoing or otherwise). Reviewing and recommending to the Board CFO Certification about utilization of funds disbursed for the purposes and manner approved by the Board

M. Review Committee of the Board on Non-Cooperative Borrowers and Identification of Willful Defaulters

Composition and Meetings of Review Committee of the Board on Non- Cooperative Borrowers and Identification of Willful Defaulters

As on March 31, 2022, the Review Committee of the Board on Non- Cooperative Borrowers and Identification of Willful Defaulters consists of members as stated below. The composition of the Committee is in conformity with the regulatory requirements.

During the financial year 2021-22, no meeting of the Committee was held.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shyam Srinivasan	Executive Director	Chairman	00	00
CA Manoj Fadnis	Independent Director	Member	00	00
Mr. Sudarshan Sen	Independent Director	Member	00	00

During the financial year 2021-22, Review Committee of the Board on Non- Cooperative Borrowers and Review Committee of the Board for Willful Defaulters were merged to form Review Committee of the Board on Non- Cooperative Borrowers and Identification of Willful Defaulters with effect from March 24, 2022

N. Review Committee of the Board on Non- Cooperative Borrowers

Composition and Meetings of Review Committee of the Board on Non- Cooperative Borrowers

As on March 24, 2022, the Review Committee of the Board on Non-Co- Operative Borrowers consisted of members as stated below. The composition of the Committee was in conformity with the regulatory requirements.

During the financial year 2021-22, only one (1) meeting was held on April 12, 2021.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shyam Srinivasan	Executive Director	Chairman	01	01
CA Manoj Fadnis	Independent Director	Member	01	01
Mr. Sudarshan Sen	Independent Director	Member	01	01

O. Review Committee of the Board for Willful Defaulters

Composition and Meetings of Review Committee of the Board for Willful Defaulters

As on March 24, 2022, the Review Committee of the Board for Willful Defaulters consisted of members as stated below. The composition of the Committee was in conformity with the regulatory requirements.

During the financial year 2021-22, the Review Committee of the Board for Willful Defaulters met twice (2) on April 22, 2021 and November 11, 2021.

Name of the Member	Category	Status	No. of Meetings	
			Held	Attended
Mr. Shyam Srinivasan	Executive Director	Chairman	02	02
Mr. C Balagopal	Independent Director	Member	02	02
Mr. Sudarshan Sen	Independent Director	Member	02	02

The Review Committee of the Board on Non- Cooperative Borrowers and Identification of Wilful Defaulters is to be headed by MD & CEO and two other Independent Directors as members.

Terms of Reference/ Roles and Responsibilities of the Committee are:

- a) The Review Committee finalizes the decision with regard to classification & declassification of Non -Cooperative Borrowers. In compliance with RBI directions on Non- Cooperative Borrowers (NCB), the Bank has put in place a policy on identification, classification & declassification of Non- Cooperative Borrowers and reporting of such borrowers to the Central Repository of Information on Large Credits (CRILC). The policy envisages formation of a Committee headed by an Executive Director & consisting of two other Senior Executives of the rank of SVP/VP to take a decision on classification & declassification of Non - Cooperative Borrowers. Accordingly, an ED level committee headed by ED & CFO is formed. The decisions of the ED level Committee has to be placed to this Review Committee of the Board for confirmation.
- b) The Review Committee reviews the order of the Internal Committee that identifies accounts to be reported as wilful default to comply with the regulatory guidelines. While reviewing the Identification Committee's order, the Review Committee shall also consider the representations if any made by the borrowers against such order. The Review Committee shall pass a reasoned order and the copy thereof shall also serve on the borrowers. This Review Committee reviews the order of the Internal Committee that identifies accounts to be reported as willful default to comply with the regulatory guidelines. The Order shall become final only after it is confirmed by the Review Committee.



SUBSIDIARY AND JOINT VENTURE COMPANY OF THE BANK

The Bank has two subsidiary companies, Fedbank Financial Services Limited and Federal Operations and Services Limited. The Bank has no material subsidiaries as per the conditions laid down in the SEBI Listing Regulations.

As on March 31, 2022, the Bank has two Associate Companies, a Joint Venture Life Insurance Company, named Ageas Federal Life Insurance Company Limited (formerly known as IDBI Federal Life Insurance Co Ltd.) and an Investment Banking subsidiary named Equirus Capital Private Limited.

The Directors of the Bank who are also in the subsidiary/associate companies as on March 31, 2022 are as follows:

- Mr. Shyam Srinivasan, Managing Director and Chief Executive Officer (MD & CEO) is the Non-Executive Director and Mr. Ashutosh Khajuria, Executive Director is a Nominee Director in Fedbank Financial Services Limited.
- Mr. C Balagopal, Independent Director is the Non-Executive Director in Federal Operations and Services Ltd. Mr. C Balagopal holds the position of Chairman in Federal Operations and Services Limited
- Mr. Shyam Srinivasan, MD & CEO and Ms. Shalini Warriar, Executive Director of the Bank, are Non-Executive Directors in Ageas Federal Life Insurance Company Limited.

The Bank monitors performance of its subsidiary Companies, *inter-alia*, by the following means:

- The Audit Committee reviews financial statements of the subsidiary Companies, along with investments made by them.
- The Board of Directors reviews the Board Meeting minutes and statements of all significant transactions and arrangements, if any, of subsidiary Companies.

The Bank does not have any listed subsidiary company

GENERAL BODY MEETINGS

A. Details of the last three general body meetings, Special Resolutions taken up in those meetings and passed with requisite majority are mentioned hereunder:

Name of Meeting - 88th Annual General Meeting
Day, Date and Time of Meeting - Thursday, July 25, 2019 at 10.00 AM
Venue - Mahatma Gandhi Municipal Town Hall, Aluva

Special Resolution

- To re-appoint Mr. C. Balagopal (DIN: 00430938) as an Independent Director for the second term.
- Approval for Raising of Funds through Issuance of Bonds for FY 2019-20.

Name of Meeting - 89th Annual General Meeting
Day, Date and Time of Meeting - Thursday, July 16, 2020 at 11.00 AM
Venue - Through Video Conferencing/Other Audio Visual Means("OAVM")

Special Resolution

- Approval for Raising of Funds through Issuance of Bonds for FY 2020-21.
- Raising of Tier I Capital of the Bank through Issuance of Securities.
- Alteration of Object Clauses of Memorandum of Association

Name of Meeting - 90th Annual General Meeting
Day, Date and Time of Meeting - Friday, July 09, 2021 at 11.00 AM
Venue - Through Video Conferencing/Other Audio Visual Means("OAVM")

Special Resolution

- Re-appointment of Mr. A P Hota (DIN- 02593219) as an Independent Director of the Bank.
- Raising of Tier I Capital of the Bank through Issuance of Securities
- Raising of Funds through Issuance of Bonds
- To approve the issuance of equity shares on preferential basis

During the year, all recommendations of the Board of Directors were accepted by the Shareholders of the Bank in respect of special businesses mentioned in the 90th Annual General Meeting notice.

B. Postal Ballot

During the year under review, no resolution was passed through postal ballot. Currently, no resolution is proposed to be passed through postal ballot. However, if required, the same shall be passed in compliance of provisions of Companies Act, 2013, SEBI Listing Regulations or any other applicable laws.

ETHICAL STANDARDS EMPLOYED BY THE BANK

All the employees of the Bank are required to comply with Bank's service manuals which, *inter alia*, provides for various ethical practices to be adhered to by them. It also includes Code of Ethics and Business Conduct, which provides the guidelines on standards of business conduct and it applies to all employees of the Bank. The Code explains the conduct and ethical behavior to be exhibited by each employee towards customers, colleagues and other stakeholders to uphold the collective interest of the Bank. This includes Bank's obligation to comply with all general laws, local rules and regulations relevant to our activity and its

commitment to enhance shareholders' value. The guidelines on the usage of social media published by the Bank outlines the standards employees are expected to observe when using social media.

POLICIES, AFFIRMATIONS AND DISCLOSURES

A. Code of Corporate Governance and Code of Conduct

The Board of Directors of the Bank has adopted the Code of Corporate Governance and Code of Conduct for the Directors of the Bank and for Management, and the code is reviewed on an annual basis. All the Board members and the senior management of the Bank have affirmed compliance to the Bank's Code of Corporate Governance and Code of Conduct. Bank's Code of Corporate Governance and Code of Conduct for Directors and Management are available on the website of the Bank <https://www.federalbank.co.in/shareholder-information>.

All the Board Members and Senior Management Personnel have confirmed compliance with the code during the year 2022. A declaration to that effect signed by the Managing Director and CEO forms part of the Annual Report of the Bank.

B. Related Party Transactions

All related party transactions that were entered during the financial year were in the ordinary course of the business of the Bank and were on arm's length basis. There were no materially significant related party transactions entered by the Bank with Related parties which may have a potential conflict with the interest of the Bank. All Related Party Transactions were placed before the Audit Committee of the Board for approval. Prior omnibus approval for transactions which are of repetitive nature is obtained from the Audit Committee and accordingly the required disclosures are made to the Committee on quarterly basis in terms of the approval of the Committee.

The policy on Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Bank and the link for the same is <https://www.federalbank.co.in/our-commitments>.

Since all related party transactions entered into by the Bank were in the ordinary course of business and were on an arm's length basis, disclosures as per Form AOC-2 is not applicable to the Bank. There were also no material contracts or arrangement or transactions with related parties during the period.

C. Details of non-compliance by the Bank

No penalties or strictures have been imposed on the Bank by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

D. Disclosure on compliance with Corporate Governance Requirements specified in SEBI Listing Regulations

The Bank has complied with the requirements of Part C (Corporate Governance Report) of sub-Paras (2) to (10) of Schedule V of the Listing Regulations.

The Bank has complied with and disclosed all the mandatory corporate governance requirements under Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of SEBI Listing Regulations (relating to disclosure on the website of the Bank).

E. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Foreign Exchange Risk arising out of Forex positions of the Bank is monitored by the Market Risk Division of Integrated Risk Management Department. Various risk limits such as Daylight Limit, NOOP, AGL and Forex VAR are defined in the Market Risk Management Policy of the Bank and are closely monitored by the Market Risk Division. The policy of the Bank on Investment, Forex and Derivative operations lays out the operative guidelines for Foreign Exchange operations. The Foreign Currency Assets and Liability gap is ascertained by Treasury Department and is managed using hedging tools such as swaps, wherever found necessary. Bank is not involved in Commodity trading/hedging activities.

F. Federal Bank Code of Conduct for Regulating, Monitoring and Reporting Trading by Insiders and Code of Practices and Procedures for Fair Disclosure

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Bank has in place a Code of Conduct for Regulating, Monitoring and Reporting Trading by Insiders and Code of Practices and Procedures for Fair Disclosure. The same have been revised during the year in accordance with amendments in the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of Bank, and while handling any Unpublished Price Sensitive Information, cautioning them of the consequences of violations.

Mr. Samir P Rajdev, Company Secretary of the Bank has been designated as Compliance Officer.

G. Whistle Blower Policy/Vigil Mechanism

Fraud risk is managed by the Bank methodically in line with the robust Fraud Risk Management Policy of the Bank which covers all significant aspects like various mitigation measures and the surveillance mechanism that



complements prevention, detection, investigation and monitoring of both, internal and external frauds. Public and employees are sensitized on different fraud prevention techniques. With a view to create an atmosphere of alertness, Vigilance Communications (Alerts) are issued on a regular basis that disseminates various modus operandi of frauds in the banking industry along with suggestions on safeguards and precautions to be adopted to prevent such frauds. Preventive Vigilance Workshop is a flagship program designed flawlessly by Vigilance Department for employees which explicates different gaps exploited by miscreants to perpetrate fraud in the banking industry and the program also ensures deliverance of strategies to be taken to avert such frauds. Preventive Vigilance Audits are conducted at select branches and also ensures periodic conduct of Fraud Prevention Committee meetings at branches with a view to prevent frauds. Customer awareness on fraudulent activities is another area that is well covered by the Bank through various effective communication channels including SMS, E-Mails, posters at Branches, ribbon messages on Bank website, internet banking webpage, etc. All cases reported in the Bank are investigated in detail as part of detective vigilance activity. Need for process refinements/ systemic corrections, if any observed during the course of investigation are highlighted in the forums concerned for corrective measures/necessary directions. Process refinements/systemic corrections are implemented to avert similar incidents in future.

Bank has a robust Whistle Blower Policy termed as Protected Disclosure Scheme (PDS) with a view to enhance public confidence in the Bank and also in compliance of RBI directions in this regard. The policy aims at establishing an effective vigil mechanism in the Bank to quickly spot aberrations and deal with it at the earliest. It is disseminated among the employees assuring confidentiality and protection to the whistle blower against any personal vindictive actions such as humiliation, harassment or any other form of unfair treatment. Directors and Employees of the Bank, employee representative bodies, customers, stakeholders, non-governmental organizations (NGO) and members of the public can lodge complaints / disclosures under this scheme. A dedicated e-mail ID is provided for sending complaints/disclosures under PDS. Investigation is conducted in all complaints /information received through the PDS mechanism and investigation reports are placed before MD & CEO. The details of the complaints and findings are also placed before the Audit Committee of the Board on a quarterly basis for review. The scheme is popularized through various measures such as preventive vigilance classes, internal circulars, alerts etc. No personnel have been denied access for giving any information as envisaged in the Protected Disclosure scheme. PDS policy is made

available in Bank's website and Intranet. Website link to Bank's Whistle Blower Policy is <https://www.federalbank.co.in/documents/10180/45777/Whistle+Blower+policy/558aea51-1335-4546-9c9a-28c5030377a1>!

H. Dividend Distribution Policy

In accordance with the Regulation 43A of SEBI Listing Regulations, the Bank has formulated a Dividend Distribution Policy. The policy has been displayed on the Bank's website at <https://www.federalbank.co.in/our-commitments> and also available in the Director's Report which forms part of the Annual Report.

I. CEO/CFO Certification

The MD and CEO and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI Listing Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

J. Utilization of funds raised through Preferential Allotment or Qualified Institutions Placement

During the year, the Bank raised ₹916 Cr through preferential allotment. The said funds were raised to further strengthen Bank's business.

K. Certificate from Company Secretary in Practice regarding disqualification of Directors

As required under Clause 10 (i) of Part C under Schedule V of the SEBI Listing Regulations, the Bank has received a certificate from M/s. SEP & Associates, Practicing Company Secretaries certifying that none of our Directors have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI /Ministry of Corporate Affairs or any such statutory authority, is annexed to this report.

L. Recommendations of Committee(s) of the Board of Directors

During the year under review, there has been no instances of rejection by the Board of any recommendations made by any of its Committees.

M. Internal Controls

The Bank has through the years developed and stabilized an effective internal control system calibrated to the risk appetite of the Bank and aligned to the scale, size and complexity of its operations. The scope and authority of the internal audit function is defined in the Audit and Inspection Policy of the Bank, duly approved by the Board of Directors. In order to help Bank achieve its mission of adopting the

best professional practices prevailing in the industry, while framing the policy, substantial inputs are taken from - RBI guidance note on Risk Based Internal Audit, 'The internal audit function in banks' published by Basel Committee on Banking Supervision and RBI Circular on 'Concurrent Audit System'. Audit and Inspection Policy is reviewed annually. Policy is reviewed considering various guidelines of RBI, Basel Committee recommendations, ICAI guidelines, other statutory / regulatory guidelines, directions of Board / Audit Committee of the Board issued from time to time and periodic internal guidelines / instructions issued by the Bank. At the enterprise level, the Inspection and Audit Department, on a continuous basis, assesses and monitors the effectiveness of the control systems and its adequacy to meet the growing complexities. The audit function essentially validates the compliance of Bank's processes and operations with regulatory guidelines, accounting procedures and Bank's own internal rules and guidelines. A department level group meets on periodical intervals to discuss latest internal / RBI / regulatory guidelines for ensuring that the required changes are implemented for making the audit function updated and dynamic.

The Bank has a robust system towards escalating the audit findings to appropriate levels in the hierarchy of Management and discussions in various committees towards suggesting corrective action and its follow up. The Bank in compliance of the requirements of Section 138 of the Companies Act, 2013, has designated the Head of Inspection and Audit Department as Internal Auditor of the Bank. Internal Auditor of the Bank directly reports to the Managing Director & CEO of the Bank. Audit Committee of the Board reviews the adequacy and effectiveness of the Internal Audit Function. The Bank has various types of audit which inter-alia include Risk Based Internal Audit, Information System Audit, Third Party Risk Audit, Offsite Audit (audit through use of technology and data analysis), Concurrent Audit, Gold Loan Audit and Management Audit. Branches / Departments are risk rated and the frequency of Risk Based Internal Audit / Management Audit is decided based on the Risk Rating of the unit. Significant Audit findings and observations are presented to Inspection Review Committee of Executives and a report on the meetings of Inspection Review Committee of Executives along with significant audit findings, directions / suggestions of the Committee and action taken in such cases are placed to the Audit Committee of the Board for review periodically. Other findings are placed before a department level committee called the 'Inspection Department Review Committee' for review and its observations are placed before Inspection Review Committee of Executives.

As per the requirement of Companies Act, 2013, Bank has formulated Internal Financial Controls framework. Risk and Controls associated with each process in the Bank are documented under the Internal Financial Controls Framework. Inspection and Audit Department plays a significant role in testing the control effectiveness for each process under the framework.

The Internal Audit function provides independent assurance to the Board of Directors and Senior Management on the quality and effectiveness of the bank's internal control, risk management and governance systems and processes, thereby helping the Board and Senior Management protect the bank and its reputation.

N. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure regarding the complaints of sexual harassment are given in the Board's Report.

O. Fees paid to Statutory Auditors

The total fees incurred by the Bank and its subsidiaries on a consolidated basis, for services rendered by Joint Statutory Central Auditors (M/s. Varma & Varma and M/s Borkar & Muzumdar) and its affiliates entities, is given below:

(₹ in Crore)	
Particulars	FY 2021-22
Audit Fee*	4.50
Reimbursement of Expenses	0.21

*includes fee for certification and other matters

P. Credit Ratings and Change/ Revisions in Credit Ratings for Debt Instruments

Details of Credit Ratings obtained by your Bank during the financial year are as follows;

- CRISIL A1+ for the Certificate of Deposit Programme of the Bank
- CRISILA1+ for the Short Term Fixed Deposits of the Bank
- CARE AA (Stable) [Double A, Outlook: Stable] for the Tier II bonds (Under Basel III)
- IND AA/Stable by India Rating and Research for the Tier II bonds (Under Basel III)

There was no revision in rating during review period as compared to previous year.



Q. Debenture Trustees

The SEBI Listing Regulations require companies, which have listed their debt securities, to disclose the names of their debenture trustees with contact details in their Annual Report. The following are the debenture trustees for the privately placed bonds of the Bank:

- For ₹700 CR Issuance bearing ISIN INE171A08032 issued on 20-01-2022:

IDBI Trusteeship Services Limited,
Asian Building, Gr Floor, 17 R. Kamani Marg,
Ballard Estate - Mumbai 400 001
- For ₹300 CR Issuance bearing ISIN INE171A08024 issued on 20-06-2019:

Beacon Trusteeship Ltd
4C & D Siddhivinayak Chambers,
Gandhi Nagar,
Opp MIG Cricket Club,
Bandra East, Mumbai - 400051

R. Outstanding GDRS/ADRS/Warrants or any Convertible Instruments, Conversion Date and Likely Impact on Equity

The Bank has 2,83,61,023 GDRs (equivalent to equity shares) outstanding, which constituted 1.35% of the Bank's total capital as at March 31, 2022.

S. Compliance with Mandatory Requirements

The Bank has complied with all applicable mandatory requirements of the SEBI Listing Regulations during the financial year 2021-22. Quarterly compliance report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Bank are listed. The required disclosures under SEBI Listing Regulations are detailed under various portions of Directors Report and Corporate Governance Report and compliance has been ensured.

ADOPTION OF DISCRETIONARY REQUIREMENTS

A. Modified opinion(s) in Audit Report

The Auditors have expressed an unmodified opinion in their report on the financial statements of the Bank.

B. Separate posts of Chairman and Chief Executive Officer

The Bank has also complied with the adoption of non-mandatory requirement on separate posts of Chairman and Chief Executive Officer. Mr. C Balagopal, Independent Director is the Chairman and Mr. Shyam Srinivasan is the Managing Director & CEO of the Bank as on March 31, 2022.

C. Reporting of Internal Auditor

The Internal Auditors of the Bank report directly to the Audit Committee of the Bank.

D. Shareholders Rights

Quarterly Financial Results are uploaded on the Bank's website www.federalbank.co.in.

MEANS OF COMMUNICATION

A. Financial Results

The quarterly, unaudited and annual audited Standalone & Consolidated financial results were published in Financial Express and Deepika Daily. The results were also displayed on the Bank's website, www.federalbank.co.in.

B. News Releases/ Presentations

As a part of good governance, official press releases, results, webcasts, analyst presentations are displayed on the Bank's website, www.federalbank.co.in. We encourage investors to visit our website for reading the documents.

C. Website

The Bank's website, www.federalbank.co.in contains a separate section 'Investor Relations' for use of investors. The quarterly, half yearly and annual financial results, official news releases and presentations made to institutional Investors and to analysts are promptly and prominently displayed on the website. Annual Reports, Quarterly Corporate Governance Report, Shareholding Pattern and other Corporate Communications made to the Stock Exchanges are also available on the website. Annual Report of subsidiary Companies is also posted on the website.

The 'Investor Relations' section provides the details of unclaimed dividends warrants for dividends declared up to the financial year ended March 31, 2021, to help shareholders to claim the same. In addition various downloadable forms required to be executed by the shareholders have also been provided on the website.

Share price page are also provided in 'Investor Relations' section. Share price page includes, inter alia, real time updates on stock price, stock movement, historical share price data etc.

D. Communication to Shareholders on e-mail

Documents like Notices, Annual Report etc. are sent to the shareholders at their email address, as registered with their Depository Participants/ Company/ Registrar and Transfer Agents (RTA). This helps in prompt delivery of document, reduce paper consumption and avoid loss of documents in transit. Members who have not yet registered their email id (including those who wish to change their already registered

email id) may get the same registered/ updated either with their depositories or by writing to the Bank/ RTA.

E. Reminders to Shareholders

Reminders for claiming unclaimed shares lying with the Bank which are liable to be transferred to the Investor Education and Protection Fund Authority are sent to the Shareholders as per Bank records.

F. NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre

NSE and BSE have developed web based applications for Corporates. All compliances like financial results, Shareholding Pattern and Corporate Governance Report, etc., are filed electronically on NEAPS/ BSE Listing center.

G. SCORES (SEBI complaints redressal system)

SEBI processes investor complaints in a centralized web based complaints redressal system i.e., SCORES. Through this system a shareholder can lodge complaint against a Company for his grievance. The Bank uploads the action taken on the complaint which can be viewed by the shareholder. The Bank and shareholder can seek and provide clarifications online through SCORES.

GENERAL INFORMATION FOR SHAREHOLDERS

A. Company Registration Details

The Bank is registered in Kerala, India. The Corporate Identification Number (CIN) allotted by the Ministry of Corporate Affairs (MCA) is L65191KL1931PLC000368.

B. Annual General Meeting

Date: July 27, 2022; Time: 11.00 AM;

Venue: Through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM')

C. Financial Calendar

Financial Year: April 1, 2021 to March 31, 2022

For the financial year ended March 31, 2022, results were announced on:

- First Quarter: July 23, 2021
- Second Quarter: October 22, 2021
- Third Quarter: January 25, 2022
- Fourth Quarter & Annual: May 06, 2022

D. Book Closure

The dates of Book Closure are from July 21, 2022 to July 27, 2022 (both days inclusive).

E. Dividend Payment Date

The dividend declared will be paid on or after the dividend declared will be paid on or before August 25, 2022.

F. Dates for Transfer of Unclaimed Dividend to Investors Education and Protection Fund (IEPF)

Pursuant to Section 124 of the Companies Act, 2013, final dividend for the financial year 2013- 14 amounting to ₹1,00,23,822/- which remained unpaid /unclaimed for a period of seven years from the date it was lying in the unpaid dividend account, has been transferred by the Bank to the Investors Education and Protection Fund (IEPF) of the Central Government on September 16, 2021.

The dividend for following years (see table below), which remains unclaimed for seven years from the date it was lying in the unpaid dividend account of the Bank, will be transferred to the IEPF in accordance with the schedule given below. Shareholders who have not encashed their dividend warrants relating to the dividends specified below are requested to immediately send their request for issue of duplicate warrants/ for credit to their bank account with requisite documents. The details of dividends specified below are available on the website of the Bank, www.federalbank.co.in. Once unclaimed dividends are transferred to IEPF, no claim shall lie in respect thereof with the Bank. However, shareholders may claim their unclaimed amount as per the procedures/guidelines issued by the Ministry of Corporate Affairs (MCA). For details, Investors can visit the website of IEPF Authority viz., www.iepf.gov.in.

Financial Year	Type of Dividend	Dividend rate %	Date of Declaration	Due date for transfer to IEPF
2014-15	Final	110	29.06.2015	04.08.2022
2015-16	Final	35	11.08.2016	17.09.2023
2016-17	Final	45	14.07.2017	16.08.2024
2017-18	Final	50	10.08.2018	12.09.2025
2018-19	Final	70	25.07.2019	30.08.2026
2020-21	Final	70	09.07.2021	09.08.2028

G. Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and



Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Bank.

Consequent to the above, during the financial year 2021-22, 1,55,899 equity shares of the Bank were transferred to the IEPFA. Relevant details of such shares are available on the website of the Bank, www.federalbank.co.in.

H. Listing

At present, the equity shares of the Bank are listed at:

- **BSE Ltd (BSE)**
Address: Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001
- **National Stock Exchange of India Limited (NSE)**
Address: Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E)

The GDRs issued by the Bank in 2006 have been listed on the London Stock Exchange, 10 Paternoster Sq., London EC4M 7LS, United Kingdom.

The Bank's shares were also listed in Cochin Stock Exchange, but as per exit order granted by SEBI to Cochin Stock Exchange Limited vide, order dated December 23, 2014, the Banks shares are no more listed/traded in Cochin Stock Exchange.

I. Bank's Stock Exchange Code

BSE Scrip Code : 500469 (Scrip ID: FEDBANK)
 NSE Symbol : FEDERALBNK
 LSE Scrip Code : FEDS
 Demat ISIN Code : INE171A01029

The annual listing fees up to the financial year 2022-23 to BSE and NSE has been paid.

The Bank have paid the custodial fees to the NSDL and CDSL as per the SEBI Circular CIR/MRD/DP/05 2011 dated April 27, 2011 for the year 2022-23.

J. Equity Evolution during the year

As at March 31, 2022, the paid-up share capital of the Bank was ₹4,20,50,92,746/- consisting of 2,10,25,46,373 equity shares of ₹2/- each. Details of equity evolution of the Bank during the year under review is as under;

Allotment of Equity Shares pursuant to exercise of ESOS/ Preferential Allotment (Face Value per Share is ₹ 2/-)	
21.04.2021	92,020
05.05.2021	24,465
24.5.2021	14,505
23.07.2021*	1,048,46,394
03.08.2021	167,290
12.08.2021	67,965
25.08.2021	56,196
07.09.2021	45,305
23.09.2021	46,590
08.10.2021	42,470
25.10.2021	24,905
05.11.2021	189,700
19.11.2021	144,263
02.12.2021	53,863
08.12.2021	37,418
17.12.2021	10,405
24.12.2021	11,940
10.01.2022	66,095
14.01.2022	21,170
20.01.2022	29,487
28.01.2022	22,459
03.02.2022	7,375
10.02.2022	33,945
17.02.2022	38,884
24.02.2022	83,242
04.03.2022	81,908
11.03.2022	78,025
18.03.2022	53,341
24.03.2022	2,000

*During the year, Preferential allotment of 104,846,394/- equity shares was made to International Finance Corporation, IFC Financial Institutions Growth Fund, LP and IFC Emerging Asia Fund, LP

K. Stock Market Data

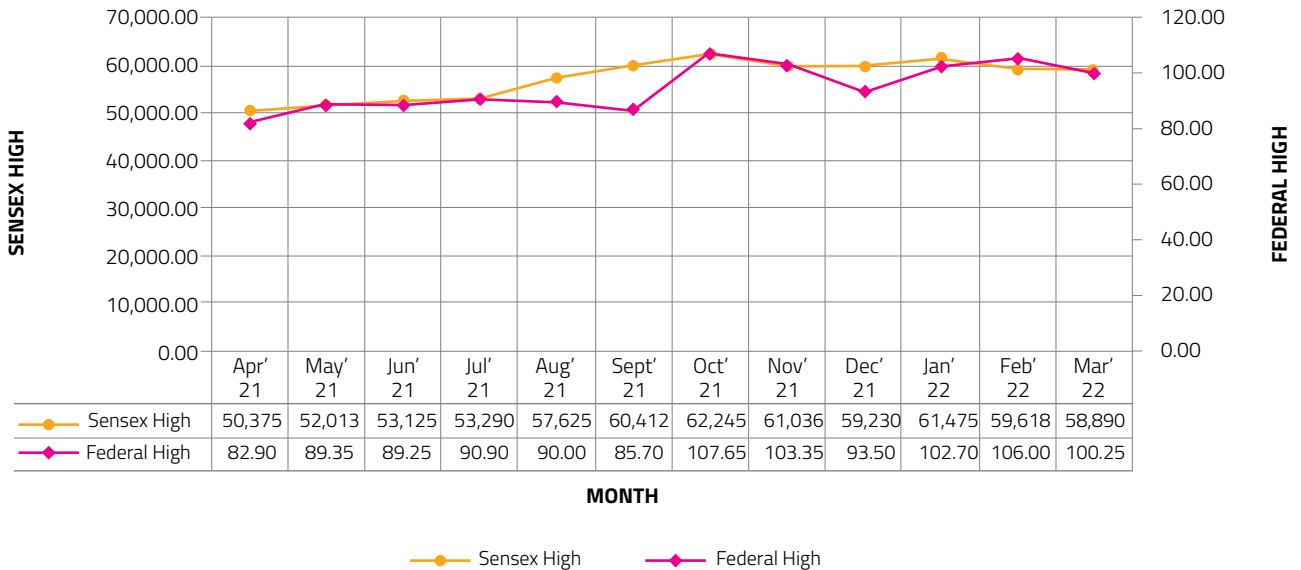
a. Market price data- high, low during each month in the Financial Year 2021-22

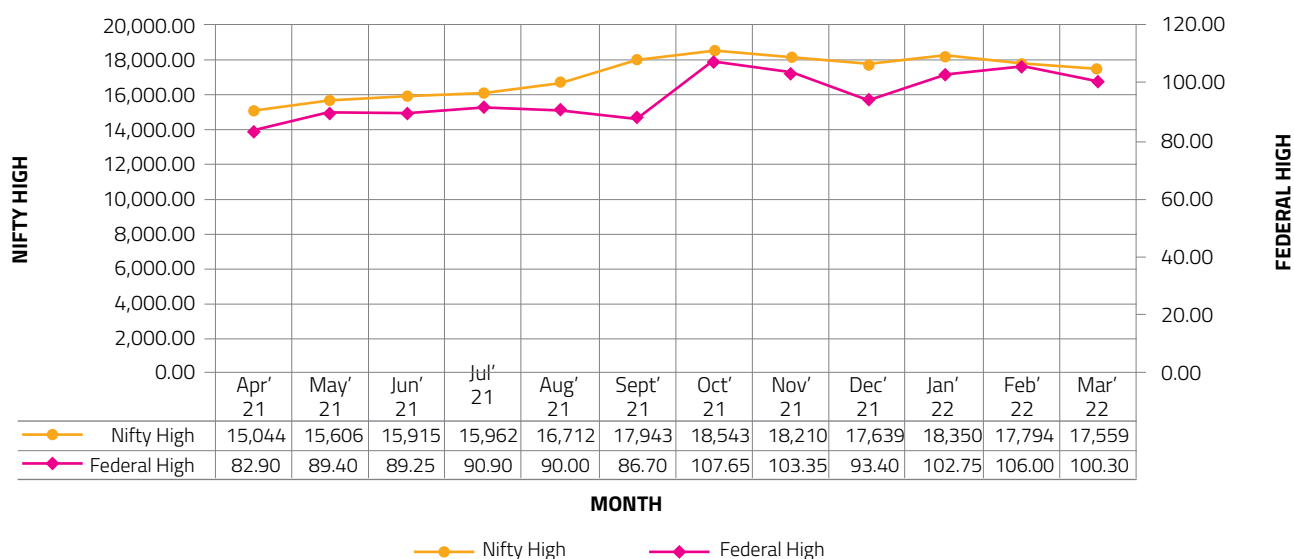
Monthly high and low quotations for each month during the Financial Year 2021-22 at the National Stock Exchange of India Limited and the BSE Ltd., are as follows:

Month	NSE		Month	BSE	
	High	Low		High	Low
Apr' 21	82.90	70.20	Apr' 21	82.90	70.00
May' 21	89.40	77.20	May' 21	89.35	77.20
Jun' 21	89.25	81.25	Jun' 21	89.25	81.25
Jul' 21	90.90	82.95	Jul' 21	90.90	83.00
Aug' 21	90.00	77.50	Aug' 21	90.00	77.50
Sep' 21	86.70	78.15	Sep' 21	86.70	78.20
Oct' 21	107.65	82.70	Oct' 21	107.65	82.70
Nov' 21	103.35	84.70	Nov' 21	103.35	84.70
Dec' 21	93.40	78.60	Dec' 21	93.50	78.70
Jan' 22	102.75	82.95	Jan' 22	102.70	83.00
Feb' 22	106.00	92.60	Feb' 22	106.00	92.65
Mar' 22	100.30	86.00	Mar' 22	100.25	86.00

b. Performance in comparison to broad based indices such as BSE – Sensex and NSE – Nifty 50.

SENSEX HIGH Vs. FEDERAL HIGH




NIFTY HIGH Vs. FEDERAL HIGH

L. Distribution of Shareholding

Details of distribution of shareholding of the equity shares of the Bank by size and by ownership class on March 31, 2022 along with Shareholders holding more than 1% of shares of the Bank is given below:

Shareholding pattern by size as on March 31, 2022

Value	Total number of share holders	% of Shareholders	Total Value (₹)	% of shares
Upto 5000	712,377	96.19	138,047,656	6.56
5001 - 10000	14,359	1.94	51,892,469	2.47
10001 - 20000	7,774	1.05	55,853,733	2.66
20001 - 30000	2,426	0.33	29,782,190	1.42
30001 - 40000	976	0.13	17,450,609	0.83
40001 - 50000	561	0.08	12,771,531	0.61
500001 - 100000	1,120	0.15	39,483,463	1.88
Above 100001	942	0.13	1,757,264,722	83.57
Total	740,535	100.00	2,102,546,373	100.00

Shareholding pattern by ownership as on March 31, 2022

Share holder Category	No of Shares	%
Mutual Funds	697,112,180	33.16
Financial Institutions/Bank/Insurance Companies	170,898,556	8.13
Foreign Portfolio Investor & Foreign Institutional Investor	539,547,674	25.66
Body Corporates	31,057,447	1.48
Individual (including NRIs)	576,166,389	27.40
NBFCs Registered with RBI	159,300	0.01
Central Govt/ State Govt/ President of India	510	0.00
Any Other (Trust, Alternate Investment funds, Overseas Corporate Bodies, Foreign Bank, Foreign Body Corporate, LLP, Clearing Member)	59,243,294	2.82
No. of shares underlying Depository Receipts	28,361,023	1.35
Total no. of shares held	210,254,6373	100.00

Shareholders holding more than 1% as on March 31, 2022

Sl.No	Shareholder Name	Shares held	%
1	ICICI Prudential Mutual Fund	121,261,449	5.77
2	HDFC Mutual Fund - HDFC Multi Cap Fund	94,068,369	4.47
3	Yusuffali Musaliam Veettil Abdul Kader	75,200,640	3.58
4	Nippon Life India Trustee Ltd	71,727,684	3.41
5	Kotak Mahindra Trustee Co Ltd	60,438,866	2.87
6	HDFC Life Insurance Company Limited	60,060,598	2.86
7	SBI Mutual Fund	55,159,270	2.62
8	Jhunjhunwala Rakesh Radheshyam	54,721,060	2.60
9	Franklin India Mutual Fund	51,179,927	2.43
10	DSP Value Mutual Fund	47,499,115	2.26
11	Tata AIA Life Insurance Company Limited	46,539,868	2.21
12	IFC Emerging Asia Fund, LP	36,696,238	1.75
13	IFC Financial Institutions Growth Fund, LP	36,696,238	1.75
14	Bank Muscat India Mutual Fund	33,351,210	1.59
15	Mirae Asset Mutual Fund	32,400,638	1.54
16	International Finance Corporation	31,453,918	1.50
17	UTI Bank Exchange Traded Fund	29,337,498	1.40
18	Kotak Funds - India Mutual Fund	28,551,825	1.36
19	Deutsche Bank Trust Company Americas	28,361,023	1.35
20	Aditya Birla Sun Life Trustee Private Limited	24,264,120	1.15
21	Sundaram Mutual Fund	22,796,464	1.08
22	PGIM India Trustee Private Limited	22,212,000	1.06
23	Vanguard International Mutual Fund	21,627,823	1.03
24	Rakesh Jhunjhunwala	21,000,000	1.00

M. Dematerialization of the Bank's Shares

The Paid up Equity Shares of the Bank as on March 31, 2022 is 2,10,25,46,373 shares. Out of this 2,10,15,27,698 shares are listed. Of the total paid up equity shares of the Bank, 1,79,83,96,255 shares (85.53%) are held in dematerialized form in NSDL, 28,55,40,962 (13.58%) in CDSL and 1,86,09,156 (0.89%) are in physical form. Under agreements with National Securities Depository India Ltd (NSDL) and Central Depository Services Ltd (CDSL), the Bank's shares can be and are traded in electronic form. The equity shares of the Bank are frequently traded at BSE Ltd and National Stock Exchange of India Ltd.

N. Registrars and Transfer Agent

SEBI vide Regulation 7 of the SEBI Listing Regulations has mandated that where the total number of security holders of the Company exceeds one lakh, the Company shall register with SEBI as a Category II Share Transfer Agent for all work related to share registry or appoint a Registrar to an Issue and Transfer Agent registered with SEBI. The Bank had appointed Integrated Registry Management Services Private Limited as its RTA for both segments, physical and electronic, much before this was mandated by SEBI.

As required under Regulation 7(3) of the SEBI Listing Regulations, the Bank files, on yearly basis, certificate issued by RTA and compliance officer of the company certifying that all activities in relation to share transfer facility are maintained by RTA registered with SEBI i.e., Integrated Registry Management Services Private Limited.

Details of the RTA are given below-

Integrated Registry Management Services Private Limited
 2nd Floor, Kences Towers, No.1, Ramakrishna Street,
 Off: North Usman Road, T. Nagar, Chennai-600017
 Phone No: 044-28140801-03
 Fax: 044-28142479, Email: csdstd@integratedindia.in

O. Share Transfer System

The Bank has a Board-level Stakeholders' Relationship Committee to examine and redress investors' complaints. As mandated by SEBI, securities of the Bank can be transferred/traded only in dematerialized form. Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/splitting/



consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialized form only. The necessary forms for the above request are available on the website of the Bank under Shareholders Information tab.

Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

Shareholders should communicate with Integrated Registry Management Services Limited, the Bank's Registrars & Share Transfer Agent at csdstd@integratedindia.in quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

The Bank has delivered/ sent share certificates/ letter of confirmation as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P /CIR/2022/8 dated 25th January 2022, for execution of transmission of securities and for the issue of duplicate certificates received during the financial year ended March 31, 2022, within the prescribed time from the respective date of lodgment. The Bank obtains, from a company secretary in practice, yearly certificate of compliance with the share transfer/ transmission or transposition of securities formalities as required under Regulation 40(9) of the SEBI Listing Regulations, and the Bank files a copy of the same with the Stock Exchanges.

P. Compliance with Secretarial Standards

The Bank is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and the Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, from time to time.

Q. Bank's Registered Office Address

The Federal Bank Ltd, PB No. 103, Federal Towers, Head Office, Aluva – 683 101, Kerala State, India

The Bank has a network of 1282 Branches across India as on March 31, 2022.

Address for correspondence:

Contact information of Bank's designated official for assisting and handling of investor grievance	Company Secretary and Compliance officer Secretarial Department The Federal Bank Limited Corporate Office Federal Towers, Alwaye - 683 101 Ph.: 0484-2634061 / 0484-2622263 Email: secretarial@federalbank.co.in
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Registrars and Transfer Agents	Integrated Registry Management Services Private Limited 2nd Floor, Kences Towers, No.1,Ramakrishna Street, Off: North Usman Road, T.Nagar, Chennai- 600 017. Ph.No: 044-28140801-03; Fax: 044-28142479 Email : csdstd@integratedindia.in
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**CERTIFICATION BY MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER OF THE COMPANY
DECLARATION ON CODE OF CONDUCT**

In compliance with the requirements of the Regulation 26(3) of SEBI Listing Regulations, 2015 this is to confirm that all the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended 2022.

Place : Aluva
Date : June 30, 2022

Shyam Srinivasan
Managing Director &
Chief Executive Officer
The Federal Bank Ltd

CEO/ CFO CERTIFICATE

We, Shyam Srinivasan, Managing Director & CEO and Venkatraman Venkateswaran, Chief Financial Officer of The Federal Bank Limited, hereby certify that:

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or violate of the Bank's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Bank pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Bank's internal control system over financial reporting.

Venkatraman Venkateswaran

Chief Financial Officer

Shyam Srinivasan

Managing Director & CEO

Place: Aluva

Date: May 06, 2022

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members,
The Federal Bank Limited
Federal Towers, P B No. 103 Alwaye-683101

1. We SEP & Associates, Company Secretaries, Kochi have examined the compliance of conditions of Corporate Governance by The Federal Bank Limited (CIN: L65191KL1931PLC000368) ('the Bank'), for the financial year ended on March 31, 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the "Listing Regulations") as amended from time to time.

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the above mentioned Listing Regulations.

Our Responsibility

3. Pursuant to the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Bank has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2022.
4. We have examined the compliance of conditions of Corporate Governance by the Bank for the period April 1, 2021 to March 31, 2022 as per the Listing Regulations. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Bank for ensuring compliance with the conditions of the Corporate Governance for the period April 01, 2021 to March 31, 2022. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

Opinion

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46(2) and para C and D of Schedule V to the Listing Regulations during the financial year ended March 31, 2022.
6. We further state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the Management has conducted the affairs of the Bank.

Restriction on use

7. The certificate is addressed and provided to the members of the Bank solely for the purpose to enable the Bank to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose.

For SEP & Associates

Company Secretaries
(ICSI Unique Code: P2019KE075600)

UDIN: F003050D000545735

Sd/-

CS Puzhankara Sivakumar

Managing Partner
COP: 2210, FCS: 3050

Date: 30.06.2022

Place: Kochi



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
The Federal Bank Limited
Federal Towers, P B No. 103
Alwaye-683101

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of The Federal Bank Limited having CIN: L65191KL1931PLC000368 having registered office at Federal Towers, P B No. 103, Alwaye, Kerala -683101 (hereinafter referred to as the "Bank"), produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Bank & its officers, we hereby certify that none of the Directors on the Board of the Bank as stated below, for the Financial Year ended on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No	Name of the Director	DIN	Initial Date of Appointment in the Company
1	Mr. C Balagopal	00430938	29-06-2015
2	Mr. A P Hota	02593219	15-01-2018
3	Mr. Siddhartha Sengupta	08467648	13-06-2019
4	CA Manoj Fadnis	01087055	13-06-2019
5	Mr. Sudarshan Sen	03570051	11-02-2020
6	Ms. Varsha Purandare	05288076	08-09-2020
7	Mr. Sankarshan Basu	06466594	01-10-2021
8	Mr. Ramanand Mundkur	03498212	01-10-2021
9	Mr. Shyam Srinivasan	02274773	23-09-2010
10	Mr. Ashutosh Khajuria	05154975	28-01-2016
11	Ms. Shalini Warriar	08257526	15-01-2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion on this based on our verification. While forming opinion on issuance of this certificate we have also taken into consideration independent legal opinion wherever there was a scope for multiple interpretations. This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For SEP & Associates,
Company Secretaries
(ICSI Unique Code: P2019KE075600)

UDIN: F003050D000545702

Sd/-
CS Puzhankara Sivakumar
Managing Partner
COP: 2210, FCS: 3050

Date: 30.06.2022
Place: Kochi