

7 Other Disclosures

- a Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:** Included under Accounting Standard 18 of Audited Balance Sheet of SIDBI.
- b Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years :** SIDBI issues Redeemable, Taxable, Non-Convertible, Non-Priority Sector, Unsecured Securities in the nature of Debenture on Private Placement Basis, which are listed on stock exchange.
- No penalties, strictures have been imposed on SIDBI by stock exchange(s) or the board or any statutory authority, on any matter related to debt securities issued by SIDBI in the last three years.
- c Details of establishment of vigil mechanism [/] whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:** The Bank has put in place a Vigil Mechanism and a Board approved Whistle Blower Policy. The Bank lays emphasis on the preventive and pro-active vigilance aspects and has been taking several initiatives for strengthening the systems and procedures to promote efficiency and transparency. Under Whistle Blower Policy of the Bank, CVC, as the Designated Agency appointed by the Government of India, shall receive written complaints or disclosure on any allegation of corruption or of misuse of office by any employee of the Bank.
- With the SIDBI LODR becoming applicable w.e.f. 31/03/2023, review the functioning of the whistle blower mechanism lies with the Audit Committee and it has to be ensured that no personnel has been denied access to the audit committee as per the LODR. The management is in the process of taking necessary steps for compliance of the regulatory requirement by the stipulated period.
- d Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:** The corporate Governance norms as per regulation 15-27 of LODR 2015 are applicable on comply or explain basis till 31/03/2023. As detailed in the report, SIDBI is taking various steps in this regard to be fully compliant with the regulations by 31/03/2023. It is in the process of approaching the Central Government to appoint adequate number of non-executive (independent) directors to enable it comply with the requirements.
- e Web link where policy for determining 'material' subsidiaries is disclosed:** At present there is no such policy for determining 'material' subsidiaries. However, the same will be reviewed for implementation by the stipulated period before 31/03/2023.
- f Web link where policy on dealing with related party transactions:** Related party transactions are Included under Accounting Standard 18 of Audited Balance Sheet of SIDBI. At present, there is no policy for dealing with related party transactions. The management is taking necessary steps to comply with the provision by the stipulated period of 31/03/2023.
- g Disclosure of commodity price risks and commodity hedging activities:** Not Applicable.
- SIDBI do not engage in any 'commodity' related activities.
- h Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** - Not Applicable.
- The equity shares of SIDBI are held by Government of India and Banks / Institutions owned by Government of India and are not listed on any exchange. Further, SIDBI issues only Debt Securities as Redeemable, Taxable, Non-Convertible, Non-Priority Sector, Unsecured Securities in the nature of Debenture on Private Placement Basis.
- i A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:** Directors on the Board of SIDBI are appointed by GoI/ 3 largest shareholders/ co-opted by the Board of Directors as per provisions of SIDBI Act. So directors of the board of SIDBI are appointed with the requirement of SIDBI Act 1989. However, the provision will be complied with by the stipulated time period of 31/03/2023.
- j Where the board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:**
- Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations:** Nil.

k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

The details of fees for all services availed by the Bank and its Subsidiaries, on a consolidated basis, during FY 2022, is as under:

(₹ crore)

Sr no.	Particulars of Payments Made to Auditors	SIDBI (Standalone Work)	Subsidiaries of SIDBI			Consolidated Payment
			SVCL	STCL	MUDRA	
Name of the Auditor		Borkar & Muzumdar, Chartered Accountants	M/s R.B. Jain & Associates, Chartered Accountants	M/s Shah & Modi, Chartered Accountants	V.C. Shah & Co, Chartered Accountants	
1	Audit Fees	0.26	0.01	0.01	0.05	0.32
2	Taxation Matters	0.02	0.00	0.00	0.01	0.03
3	Reimbursement of Expenses	0.00	0.00	0.00	0.00	0.00
4	Certification and other Services	0.04	0.00	0.00	0.01	0.05
Total		0.32	0.01	0.01	0.06	0.40

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

- ▶ number of complaints filed during the financial year - Nil
- ▶ number of complaints disposed of during the financial year - Nil
- ▶ number of complaints pending as on end of the financial year - Nil

m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount':

Provided that this requirement shall be applicable to all listed entities except for listed banks: - Nil

Declaration of Compliance with the Code of Conduct as provided in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

SIDBI is governed by SIDBI Act, 1989 read with SIDBI General Regulations 2000. Being a high value debt listed entity, the provisions of regulations 15-27 related to corporate governance has been made applicable to SIDBI on comply or explain basis till 31/03/2023. As per regulation 17(5) (a) The Board of Directors have to lay down a code of conduct for all members of Board of Directors and senior management (b) The code of conduct shall suitably incorporate the duties of independent directors. Accordingly, the management is in the process of formulating the code of conduct for approval by Board to comply with the same by the stipulated time period.

Shri Sivasubramanian Ramann,
Chairman and Managing Director
DIN: 07685657