

## **Independent Auditor's Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

### **To The Members of Axis Bank Limited**

1. This Certificate is issued in accordance with the terms of our engagement letter dated July 29, 2019.
2. We have examined the compliance of conditions of Corporate Governance by Axis Bank Limited ('the Bank'), for the year ended on March 31, 2020, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### **Management's Responsibility**

3. The Management is responsible for ensuring that the Bank complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

### **Auditor's Responsibility**

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Bank for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.
5. We have examined the books of account and other relevant records and documents maintained by the Bank for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Bank.
6. We conducted our examination in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this Certificate and as per the Guidance Note on Reports or Certificate for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements issued by ICAI.

### **Opinion**

8. Based on our examination, as above, and to the best of the information and explanations given to us and representations provided by the Management, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2020.
9. 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**

10. 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. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this Certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any event or circumstances occurring after the date of this Certificate.

### **For Haribhakti & Co. LLP**

Chartered Accountants  
ICAI Firm Registration No.103523W / W100048

### **Purushottam Nyati**

Partner  
Membership No.118970  
UDIN: 20118970AAAABQ4651  
Place: Mumbai  
Date: April 29, 2020

## Corporate Governance

(Part of the Directors' Report for the year ended 31<sup>st</sup> March 2020)

### (1) Philosophy on Code of Governance

Your Bank's policy on Corporate Governance has been:

- I. To enhance the long-term interest of its shareholders, provide good management, adopt prudent risk management techniques and comply with the required standards of capital adequacy, thereby safeguarding the interest of its stakeholders such as shareholders, depositors, creditors, customers, suppliers and employees.
- II. To institutionalize accountability, transparency and equality of treatment for all its stakeholders, as central tenets of good corporate governance and to articulate this approach in its day-to-day functioning and in dealing with all its stakeholders.

### (2) Board of Directors

#### I. Size and Composition of the Board

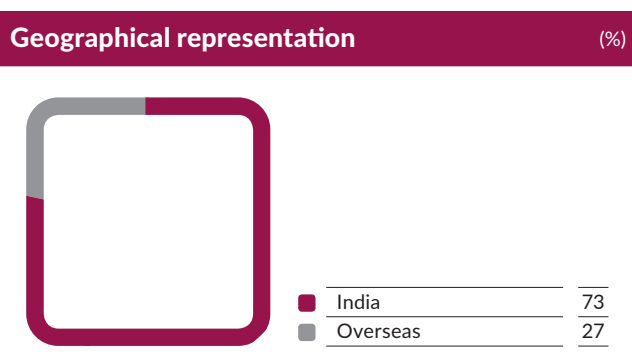
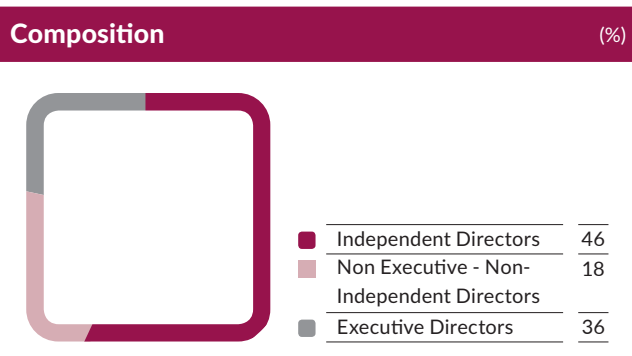
The composition of the Board of Directors of the Bank (the Board) is governed under the relevant provisions of the Companies Act, 2013 read with the relevant rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), the Banking Regulation Act, 1949, the guidelines issued by the Reserve Bank of India (RBI) and the Articles of Association of the Bank.

The Board has an optimum combination of Executive and Non-Executive Directors with Independent Directors constituting more than one-third of its total strength. The Board has 11 Directors, comprising of 5 Independent Directors, 1 Managing Director & CEO, 3 Executive Directors and 2 Nominee Directors.

The Board is led by Non-Executive (Part-Time) Chairman, who is an Independent Director. The Board comprises of nominees of the Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI), Promoter of the Bank and BC Asia Investments VII Limited, Integral Investments South Asia IV and BC Asia Investments III Limited (being entities affiliated to BAIN Capital, a Global Private Equity firm). In terms of Article 90(1)(c) of the Articles of Association of the Bank, Life Insurance Corporation of India, Promoter of the Bank, has a right to nominate one Director on the Board of the Bank. The Board also has 1 Woman Director who is an Independent Director.

None of the Directors or their relatives are related to each other. The Board has confirmed and taken on record the declaration of Independence, which has been submitted by all the Independent Directors of the Bank, and after having undertaken a due assessment of the veracity of the same, the Board has formed an opinion that all the Independent Directors fulfill the criteria/ conditions relating to independence, as specified in the Companies Act, 2013 and the Listing Regulations, relating to Corporate Governance and that they are independent of the Management.

In terms of the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019 read with the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, all the Independent Directors of the Bank have enrolled their names in the online databank of Independent Directors maintained by the Government. All the Independent Directors of the Bank have undertaken to comply with the requirements relating to passing of online proficiency self-assessment test, as applicable to them, within the timelines prescribed in the said Rules.



## II. Board Diversity

The Bank recognizes and embraces the importance of a diverse Board and is endowed with appropriate balance of skills, expertise, experience and diversity of perspectives thereby ensuring effective board governance. The Board has reviewed and adopted the Policy on Board Diversity, which sets out its approach to ensure diversity as aforesaid, so as to enhance the Board's effectiveness while discharging its fiduciary obligations towards the stakeholders of the Bank. The Bank considers diversity in skills, regional and industry experience, expertise and educational background 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 24<sup>th</sup> November 2016, requires that not less than 51% of the total number of members of the Board of Directors of a banking company should comprise of persons who shall have special knowledge or practical experience, in respect of one or more of the matters stated hereunder, out of which not less than two shall be persons having special knowledge or practical experience, in respect of agriculture and rural economy, co-operation or small scale industry:

• Accountancy	• Economics
• Agriculture and Rural Economy	• Finance
• Banking	• Small-Scale Industry
• Co-operation	• Law
• Information Technology	• Payment & Settlement Systems
• Infrastructure Sector	• Risk Management
• Human Resources	• Business Management
• Core Industries	

The Bank is in compliance with the aforesaid requirements as prescribed under Section 10A (2) of the Banking Regulation Act, 1949. Further, the Bank periodically reviews and identifies the skills/ expertise/ competencies, which are required to be possessed by its members, in the context of the needs of its businesses, for it to function effectively.

The Board has diverse combination of special knowledge, expertise and practical experience as relevant for the banking business. The details of skills/ expertise/ competencies of the Directors of the Bank, as provided by them, are detailed as under:

Sr. No.	Name of the Director	Special Knowledge / Practical Experience
1.	Shri Rakesh Makhija	Industry & Technology   Business Management
2.	Shri Amitabh Chaudhry	Finance   Banking   Insurance   Business Management   Information Technology
3.	Shri Rohit Bhagat	Finance   Risk Management
4.	Shri S. Vishvanathan	Banking   Small Scale Industry   Agriculture and Rural Economy   Risk Management   Treasury   Capital Markets
5.	Smt. Ketaki Bhagwati	Finance   Risk Management   Business Management
6.	Shri B. Baburao	Finance   Industry & Technology   Investments   Capital Markets   Operations   Business Management
7.	Shri Stephen Pagliuca	Finance   Technology   Media   Telecommunications   Financial Services Business
8.	Shri Girish Paranjpe	Accountancy   Finance and Business Management   Information Technology
9.	Shri Rajiv Anand	Finance   Business Management
10.	Shri Rajesh Dahiya	Human Resources   Business Management   Agricultural Input Distribution & Sales   Manufacturing
11.	Shri Pralay Mondal	Agriculture & Rural Economy   Banking   Risk Management

The brief profile of the Directors of the Bank have been uploaded on the website of the Bank <https://www.axisbank.com/about-us>.

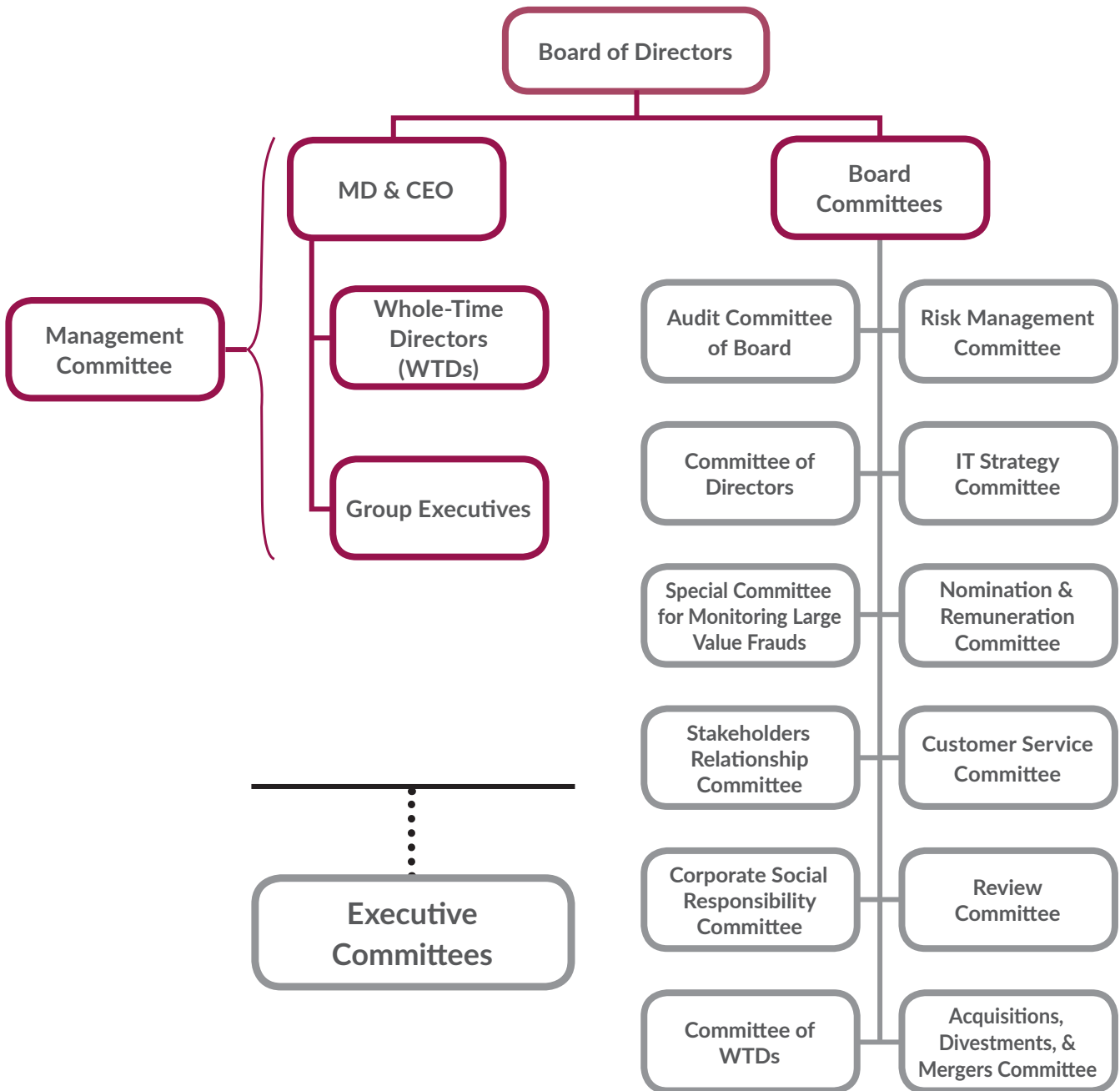
### (3) Governance Structure of the Bank

The Bank has a governance structure to enhance shareholders' value and protect the interests of its stakeholders with a sharp focus on improving the corporate performance, through transparency, meritocracy and accountability.

The Board of Directors is the primary direct stakeholder influencing standards of corporate governance at the Bank. The Directors of the Bank are appointed by the Shareholders and they represent the interest of the Shareholders of the Bank. The Managing Director & CEO reports to the Board of the Bank and is entrusted with substantial powers to manage the affairs of the Bank. The Board has constituted various Committees and routinely delegates specific matters for a more

focused review. The Bank has constituted/ empowered Executive Committees to inter alia deal with routine, operational, administrative matters and to review various matters before its submission to the Board/ Committees. The Bank has appointed officials at senior levels who are independent of the management and to provide an independent view to the concerned Board/ Committees. This enhances the overall governance standards and helps strengthen the compliances within the Bank.

The diagrammatic representation of the Governance structure of the Bank, is as under:



## I. Duties and Responsibilities of the Board

The role of the Board is to provide effective guidance and oversight to the Management of the Bank so that it delivers enduring sustainable value, is fully compliant with extant laws, regulations and functions in an ethical and efficient manner.

The responsibilities of the Board include inter alia overseeing the functioning of the Bank, monitoring legal and statutory compliance, reviewing the efficacy of internal control systems and processes, and management of risk associated with the business of the Bank. The Board is also responsible for approving the strategic directions, plans and priorities for the Bank, monitoring corporate performance against strategic business plans, reviewing and approving the Bank's financial and operating results on a periodic basis, overseeing the Bank's Corporate Governance framework and supervising the succession planning process for its Directors and Senior Management.

Accordingly, the Board deliberates on matters such as business strategy, risk, financial results, succession planning, compliance, customer service, information technology and human resources as covered under the seven critical themes prescribed by the RBI and matters as prescribed under the relevant provisions of the Companies Act, 2013, the relevant Rules made thereunder, the Listing Regulations relating to Corporate Governance and Circulars/ Guidelines issued by the RBI, in this regard from time to time.

The Board spends considerable time perusing the information provided to them, which facilitates informed decision making and effective participation at its meetings, leading to higher board effectiveness. Apart from quarterly review of the performance of the Bank, the Board meets once a year specifically to review the long-term strategy of the Bank. The Board oversees the actions and results of the Management to ensure that the long-term objectives of enhancing shareholders value are met. The Board also has the discretion to engage the services of external experts/ advisors, as deemed appropriate.

The duties and responsibilities of the Board have been set out in its Charter formulated and adopted by the Bank, in terms of the relevant provisions of the Companies Act, 2013, the relevant Rules made there under, the Listing Regulations, the Banking Regulation Act, 1949, the Circulars/ Guidelines issued by the RBI, in this regard, from time to time and the Articles of Association of the Bank. During the year, the Board has reviewed its Charter and approved the relevant amendments to the same.

### Role of Independent Directors

Shri Rakesh Makhija, Shri Rohit Bhagat, Shri S. Vishvanathan, Smt. Ketaki Bhagwati and Shri Girish Paranjpe are the Independent Directors of the Bank. The role of an Independent Director is to help in bringing an independent judgment to bear on the Board's deliberations especially on the issues pertaining to strategy, performance, risk management, resources, key appointments and standards of conduct. They bring an objective view in the evaluation of the performance of board and management, scrutinising the performance of management in meeting agreed goals and objectives and monitoring the outcome of performance. Independent Directors are responsible for safeguarding the interests of all the stakeholders, particularly the minority shareholders and to balance the conflicting interest amongst the stakeholders.

### Role of Managing Director and CEO

Shri Amitabh Chaudhry is the Managing Director & CEO of the Bank. He reports to the Board of the Bank and is vested with substantial powers for managing the affairs of the Bank, subject to the overall superintendence, control, guidance and direction of the Board. He has the authority to enter into contracts for and on behalf of the Bank in the ordinary course of its business and to perform all such acts, deeds, matters and things, which in the ordinary course of its business, as the Managing Director & CEO of the Bank, he may consider necessary or appropriate to perform, in the business interest of the Bank. He is also a Key Managerial Personnel of the Bank, pursuant to the provisions of Section 203(1) read with Section 2(51) of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### Role of Whole-Time Directors

Shri Rajiv Anand, Executive Director (Wholesale Banking), Shri Rajesh Dahiya, Executive Director (Corporate Centre) and Shri Pralay Mondal, Executive Director (Retail Banking) are the Whole-Time Directors and Key Managerial Personnel of the Bank. They report directly to the Managing Director & CEO of the Bank. They are responsible for specific functions as assigned to them by the Managing Director & CEO or by the Board, from time to time.

### II. Meetings of the Board/Committees

#### Schedule of the meetings

The schedule of the meetings of the Board / Committees to be held during the next Financial Year and for the ensuing Annual General Meeting, is circulated in advance to the Board.

#### Agenda for the meetings

The RBI vide its Circular no.DBRNo.BC.93/29.67.001/2014-15 dated 14<sup>th</sup> May 2015 has prescribed 'Seven Critical Themes' to be reviewed by the Board namely business strategy, financial reports and their integrity, risk, compliance, customer protection, financial inclusion and human resources. The agenda for Board meetings includes matters forming part of the said critical themes, as stipulated by the RBI.

The agenda for the meetings of the Board/ Committees is prepared based on inputs received from the concerned departments of the Bank and finalized in consultation with the Chairman of the Board / Committees. The agenda notes for the meetings of the Board / Committees are sent to the Members of the Board / Committees in advance to enable them to read and comprehend the matters to be dealt with and seek further information/clarification. All the agenda notes of the Board / Committees are circulated to the Members of the Board / Committees through a secured web-based portal to facilitate easy access of agenda on iPad/the computer. The agenda notes and presentations are prepared and presented in a manner, which enables the Board/ Committees to take an informed decision. The Members of the Board/ Committees are free to recommend inclusion of any item in the agenda for discussion.

#### Framework for Monitoring and Implementation of the Directions of the Board

The Board has approved a "Framework for Monitoring and Implementation of the Directions of the Board". In terms of this Framework, any actionable arising from the deliberations at the meetings is recorded in the minutes and forms part of the Action Taken Report, to be reviewed at the subsequent meetings of the Board/Committees. The status of implementation of all actionables relating to Board/ Committees, is reviewed by the Board, on a quarterly basis.

#### Minutes of the meetings

The Minutes of the meetings of the Board / Committee are circulated to the Chairman for his review and approval and thereafter circulated to other Members of the Board/Committee for their comments, 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).

In case of business exigencies or urgency of matters, resolutions are also passed by the Board/Committees through circulation. Videoconferencing facility is used extensively to facilitate participation of Directors, who are unable to attend the meetings, in person.

In all, 10 meetings of the Board were held during the Financial Year 2019-20, i.e. on 25<sup>th</sup> April 2019, 22<sup>nd</sup> May 2019, 25<sup>th</sup> June 2019, 20<sup>th</sup> July 2019, 30<sup>th</sup> July 2019, 21<sup>st</sup> October 2019, 22<sup>nd</sup> January 2020, 27<sup>th</sup> February 2020, 13<sup>th</sup> March 2020 and 18<sup>th</sup> March 2020. The gap between two Board Meetings did not exceed the prescribed limit of 120 days. The requisite quorum was present throughout the meetings of the Board held during the Financial Year 2019-20.

Out of the 10 Board Meetings held during the year, 9 meetings of the Board held on 25<sup>th</sup> April 2019, 22<sup>nd</sup> May 2019, 25<sup>th</sup> June 2019, 20<sup>th</sup> July 2019, 30<sup>th</sup> July 2019, 21<sup>st</sup> October 2019, 27<sup>th</sup> February 2020, 13<sup>th</sup> March 2020 and 18<sup>th</sup> March 2020 were conducted through video conference.

The Board has accepted and implemented all the recommendations, including mandatory recommendations, made by the Committees at its meetings held during the Financial Year 2019-20.

The name, age, category of Directors, details of the Board Meetings attended by them during the Financial Year 2019-20 along with sitting fees paid to them for attending the said meetings, and their attendance at the 25<sup>th</sup> Annual General Meeting of the Bank (AGM), are given below:

Sr. No.	Name of the Director	DIN	Age	Category	Board Meetings attended during the year	Sitting fees (in ₹)	Attendance at last AGM (20 <sup>th</sup> July 2019)
1.	Shri Rakesh Makhija	00117692	68	Independent Director & Non-Executive (Part-Time) Chairman	10/10	10,00,000	Yes
2.	Dr. Sanjiv Misra <sup>1</sup>	03075797	72	Independent Director & Non-Executive (Part-Time) Chairman	3/3	3,00,000	NA
3.	Shri Amitabh Chaudhry	00531120	55	Managing Director & CEO	10/10	-	Yes
4.	Prof. Samir K. Barua <sup>2</sup>	00211077	68	Independent Non-Executive	4/4	4,00,000	Yes
5.	Shri Som Mittal <sup>3</sup> ®	00074842	68	Independent Non-Executive	5/6	5,00,000	Yes
6.	Shri Rohit Bhagat <sup>4</sup> ®	02968574	56	Independent Non-Executive	9/10	9,00,000	Yes
7.	Smt. Usha Sangwan <sup>4</sup> ®	02609263	61	Nominee Director – Life Insurance Corporation of India (LIC) [Equity Investor] – Promoter	3/6	3,00,000	No
8.	Shri S. Vishvanathan <sup>5</sup>	02255828	65	Independent Non-Executive	10/10	10,00,000	Yes
9.	Smt. Ketaki Bhagwati	07367868	56	Independent Non-Executive	10/10	10,00,000	Yes
10.	Shri B. Baburao	00425793	61	Nominee Director – Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI) [Equity Investor] – Promoter	10/10	10,00,000	Yes
11.	Shri Stephen Pagliuca <sup>6</sup> ®	07995547	65	Nominee Director – Entities affiliated to BAIN Capital [Equity Investor]	9/10	9,00,000	No
12.	Shri Girish Paranjpe	02172725	62	Independent Non-Executive	10/10	10,00,000	Yes
13.	Shri Rajiv Anand <sup>6</sup> ®	02541753	54	Executive Director (Wholesale Banking)	9/10	-	Yes
14.	Shri Rajesh Dahiya <sup>7</sup> ®	07508488	52	Executive Director (Corporate Centre)	9/10	-	Yes
15.	Shri Pralay Mondal <sup>8</sup>	00117994	54	Executive Director (Retail Banking)	5/5	-	NA

® Leave of absence was granted to the concerned Directors who had expressed their inability to attend the respective meetings.

<sup>1</sup> Ceased to be the Non-Executive (Part-Time) Chairman and Director of the Bank, w.e.f. the close of business hours on 17<sup>th</sup> July 2019.

<sup>2</sup> Ceased to be an Independent Director of the Bank, on expiry of his tenure, w.e.f. the close of business hours on 21<sup>st</sup> July 2019.

<sup>3</sup> Ceased to be an Independent Director of the Bank, on expiry of his tenure, w.e.f. the close of business hours on 21<sup>st</sup> October 2019.

<sup>4</sup> Ceased to be a Nominee Director of the Bank, w.e.f. 12<sup>th</sup> December 2019.

<sup>5</sup> Re-appointed as Independent Director of the Bank, for a period of 3 years, w.e.f. 11<sup>th</sup> February 2020.

<sup>6</sup> Re-appointed as Executive Director (Wholesale Banking) of the Bank, for a period of 3 years w.e.f. 4<sup>th</sup> August 2019.

<sup>7</sup> Re-appointed as Executive Director (Corporate Centre) of the Bank, for a period of 3 years w.e.f. 4<sup>th</sup> August 2019.

<sup>8</sup> Appointed as Executive Director (Retail Banking) of the Bank, for a period of 3 years, w.e.f. 1<sup>st</sup> August 2019.

The details of other Directorships and Memberships / Chairmanships in Board Committees of other Companies and the category thereof held by the Directors, as on 31<sup>st</sup> March 2020, are given below:

Designation/Category	Directorship in other listed companies, in India	Number of other Directorships in unlisted companies		Number of Memberships in Board Committees <sup>(ii)</sup>
		of Indian Public Limited Companies	of other companies <sup>(i)</sup>	
<b>Name of the Director</b>	<b>Name of the Companies &amp; Designation</b>			
<b>Non-Executive (Part-Time) Chairman &amp; Independent Director</b>				
Shri Rakesh Makhija	Castrol India Limited (Independent Director)	2	0	3 (1)
<b>Nominee Director – SUUTI</b>				
Shri B. Baburao	NIL	2	0	1(1)
<b>Nominee Director – Entities affiliated to BAIN Capital</b>				
Shri Stephen Pagliuca	NIL	0	5	0
<b>Independent Directors</b>				
Shri Rohit Bhagat	NIL	0	4	0
Shri S. Vishvanathan	Orient Paper & Industries Limited (Independent Director)	2	0	4(0)
Smt. Ketaki Bhagwati	Bayer Crop Science Limited (Independent Director)	1	1	0
Shri Girish Paranjpe	CRISIL Limited (Independent Director)	1	3	2(1)
<b>Managing Director &amp; CEO/Whole Time Directors</b>				
Shri Amitabh Chaudhry, Managing Director & CEO	NIL	3	0	0
Shri Rajiv Anand, Executive Director - (Wholesale Banking)	NIL	3	2	1
Shri Rajesh Dahiya, Executive Director – (Corporate Centre)	NIL	2	0	0
Shri Pralay Mondal Executive Director - (Retail Banking)	NIL	2	0	0

- i. Includes foreign companies, private limited companies, Section 8 Companies.
- ii. Includes only Memberships of the Audit Committee and Stakeholders Relationship Committee in public limited companies. Figures in brackets represent number of Chairmanships of the said Committees, as per the disclosure received from the concerned Director of the Bank.

**Notes:**

- All the Directors of the Bank, are in compliance with the applicable provisions of the Companies Act, 2013, the relevant Rules made thereunder, the Listing Regulations, the Banking Regulation Act, 1949 and the guidelines issued by the RBI, relating to maximum number of Directorships and Committee memberships.
- All the Directors of the Bank have submitted their annual declarations as required under the Companies Act, 2013 and the relevant Rules made thereunder, the Listing Regulations, the Banking Regulation Act, 1949 and the guidelines issued by the RBI, in this regard, from time to time.

**III. Board Committees**

The business of the Board is also conducted through the various Committees constituted by the Board to deal with specific matters as per delegated powers for different functional areas of the Bank and as mandated under the relevant provisions of the Companies Act, 2013, the relevant Rules made thereunder, the Listing Regulations, Banking Regulation Act, 1949, Circulars/ Guidelines issued by the RBI, in this regard, from time to time and the Articles of Association of the Bank.

During the year, pursuant to the resignation/ retirement/ appointment of Directors of the Bank and as part of the Succession Planning Process of the Bank, the Chairman of Board and Chairman of the Nomination and Remuneration Committee have, reviewed and approved changes to the composition of certain Board Committees.



The Board has constituted 12 Committees, viz., Committee of Directors (COD), Audit Committee of Board (ACB), Risk Management Committee (RMC), Stakeholders Relationship Committee (SRC), Nomination and Remuneration Committee (NRC), Corporate Social Responsibility Committee (CSR), Special Committee of the Board of Directors for Monitoring of Large Value Frauds (LVF), Customer Service Committee (CSC), IT Strategy Committee (IT), Review Committee (RC), Acquisitions, Divestments and Mergers Committee (ADAM) and Committee of Whole-time Directors (COWTD). During the year, Charter of the said Committees were reviewed and approved by the Board, pursuant to amendments to applicable banking, corporate and securities laws.

Further, in order to facilitate linkages between Committees, the Bank has appointed Non-Executive Directors as common members. The Audit Committee of the Board and the Committee of Directors have Shri S. Vishvanathan and Shri B. Baburao as common members. The Risk Management Committee and the Nomination and Remuneration Committee have Shri Rohit Bhagat as a common member. The Audit Committee of the Board and the Special Committee of the Board of Directors for Monitoring of Large Value Frauds have Shri. B. Baburao and Shri Rakesh Makhija as common members. IT Strategy Committee and Customer Service Committee have Shri Girish Paranjpe, as a common member. The Committee of Directors and the Review Committee have Shri S. Vishvanathan and Smt. Ketaki Bhagwati, as common members. The Risk Management Committee and the Committee of Directors have Smt. Ketaki Bhagwati, as a common member.

The table showcasing the composition of the Committees of the Bank, is given below:

Sr. No.	Name of the Director	Category	COD	ACB	RMC	SRC	NRC	LVF	CSC	IT	CSR	RC	ADAM	COWTD
1.	Shri Rakesh Makhija	Independent Non-Executive (Part-Time) Chairman	-	Member	-	-	Member	Member	-	-	Member	-	Member	-
2.	Shri Amitabh Chaudhry	Managing Director & CEO	Member	-	Member	-	-	Member	Member	Member	-	Member	Member	Member
3.	Shri Rohit Bhagat	Independent Non-Executive	-	-	Member	-	Member	-	-	-	-	-	Member	-
4.	Shri S. Vishvanathan	Independent Non-Executive	Member	Member	-	Member	-	-	-	-	-	Member	-	-
5.	Smt. Ketaki Bhagwati	Independent Non-Executive	Member	-	Member	-	-	-	-	-	-	Member	Member	-
6.	Shri B. Baburao	Nominee Director - Administrator of the Specified Undertaking of Unit Trust of India (SUUTI)	Member	Member	-	Member	-	Member	Member	-	-	-	-	-
7.	Shri Stephen Pagliuca	Nominee Director - Entities affiliated to BAIN Capital	-	-	-	-	Member	-	-	-	-	-	-	-
8.	Shri Girish Paranjpe	Independent Non-Executive	-	Member	-	-	-	-	Member	Member	-	-	-	-
9.	Shri Rajiv Anand	Executive Director (Wholesale Banking)	Member	-	-	-	-	Member	-	-	Member	-	-	Member
10.	Shri Rajesh Dahiya	Executive Director (Corporate Centre)	-	-	-	Member	-	Member	-	-	Member	-	-	Member
11.	Shri Pralay Mondal	Executive Director (Retail Banking)	-	-	-	-	-	-	Member	Member	-	-	-	Member

Member Chairman

In view of the increase in the duties, roles and responsibilities of the Non-Executive Directors and also in view of the increase in the time commitment required, the Board at its meeting held on 22<sup>nd</sup> January 2020 approved a revision in the sitting fees payable to the Non-Executive Directors of the Bank in respect of the following key Committees viz. Nomination and Remuneration Committee, Audit Committee, Committee of Directors, Risk Management Committee and IT Strategy Committee of the Board, from ₹ 50,000/- to ₹ 1,00,000/- per meeting, with effect from 1<sup>st</sup> February 2020. The sitting fees with respect to other Board Committees remain unchanged at ₹ 50,000/- per meeting.

The brief description of terms of reference of the said Committees, their composition and attendance of the Members at the meetings thereof, are detailed as under:

**(1) Committee of Directors**

The Committee of Directors of the Board of Director of the Bank (Committee of Directors) comprises of 5 members out of which 2 are Independent Directors.

The brief description of terms of reference of the Committee of Directors, are as under:

- i) To review loans sanctioned by Senior Management Committee (SMC), provide approvals for loans as per the limits stipulated in the Corporate Credit Policy of the Bank, as amended, from time to time, and to discuss strategic issues in relation to credit policy and deliberate on the quality of the credit portfolio of the Bank.
- ii) To monitor the exposures (both credit and investments) of the Bank and to consider and approve one time compromise settlement proposals, in respect of loan accounts which have been written off.
- iii) To sanction revenue expenditures relating to the Bank's business/operations covering all its departments and business segments, above certain stipulated limits.
- iv) To review the cases of Technical Write-Off of NPA Accounts on a quarterly basis.
- v) To review investment strategy, periodically review investments made and approve investment related proposals above certain limits.
- vi) To review and approve proposals relating to the Bank's business/operations covering all its departments and business segments.

In all 17 meetings of the Committee of Directors were held during the Financial Year 2019-20 i.e. on 24<sup>th</sup> April 2019, 22<sup>nd</sup> May 2019, 25<sup>th</sup> June 2019, 18<sup>th</sup> July 2019, 22<sup>nd</sup> July 2019, 26<sup>th</sup> August 2019, 9<sup>th</sup> September 2019, 16<sup>th</sup> September 2019, 26<sup>th</sup> September 2019, 15<sup>th</sup> October 2019, 31<sup>st</sup> October 2019, 19<sup>th</sup> November 2019, 19<sup>th</sup> December 2019, 24<sup>th</sup> January 2020, 13<sup>th</sup> February 2020, 9<sup>th</sup> March 2020 and 19<sup>th</sup> March 2020.

The meetings held on 18<sup>th</sup> July 2019, 22<sup>nd</sup> July 2019, 26<sup>th</sup> August 2019, 9<sup>th</sup> September 2019, 16<sup>th</sup> September 2019, 19<sup>th</sup> November 2019, 13<sup>th</sup> February 2020, 9<sup>th</sup> March 2020 and 19<sup>th</sup> March 2020, were conducted through video conference.

The details of the meetings of the Committee of Directors attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Shri S. Vishvanathan, Chairman	Independent Director	17/17	10,00,000
Shri Amitabh Chaudhry <sup>®</sup>	Managing Director & CEO	13/17	-
Smt. Ketaki Bhagwati <sup>®</sup>	Independent Director	16/17	9,50,000
Shri B. Baburao	Non-Executive (Nominee Director-SUUTI)	17/17	10,00,000
Shri Rajiv Anand <sup>®</sup>	Executive Director-(Wholesale Banking)	12/17	-

<sup>®</sup> Leave of absence was granted to the concerned Members who had expressed their inability to attend the respective meetings.

**(2) Audit Committee of Board**

The Audit Committee of the Board of Directors of the Bank (Audit Committee) comprises of 4 members, out of which 3 are Independent Directors. The Members of the Audit Committee are financially literate and have requisite accounting and financial management expertise.

Prof. Samir Barua ceased to be Member and Chairman of the Audit Committee, with effect from the close of business hours on 21<sup>st</sup> July 2019. Shri Girish Paranjpe, Independent Director of the Bank was appointed as the Chairman of the Audit Committee with effect from 22<sup>nd</sup> July 2019.

The brief description of terms of reference of the Audit Committee, are as under:

- i) To provide direction and to oversee the operation of the audit function.

- ii) To review the internal audit system with special emphasis on its quality and effectiveness and status of compliance with respect to Risk Assessment Report, Risk Mitigation Plan, Scrutiny Reports issued by RBI.
- iii) To review the concurrent audit system of the Bank (including the appointment of concurrent auditors), approve the appointment, re-appointment, remuneration and terms of appointment of statutory auditors and payments to statutory auditors for any other services rendered by them.
- iv) To oversee the Bank's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- v) To review, with the management, quarterly as well as the annual financial statements and auditor's report thereon before submission to the Board for approval with special emphasis on accounting policies and practices, compliance with accounting standards, disclosure of related party transactions and other legal requirements relating to financial statements.
- vi) Oversee the implementation of Compliance Policy and review the compliance function on half-yearly and annual basis ensuring that all compliance issues are resolved effectively.
- vii) To review functioning of the Whistle Blower and Vigilance mechanism.
- viii) To approve any subsequent modification of transactions of the Bank that shall involve related parties.
- ix) To review the performance of Information Security Audit and the critical issues highlighted during the Information Security Audit and provide appropriate guidance to the Bank's Management.
- x) To review all matters as specified by RBI in the circular on Calendar of Reviews as per RBI Circular dated 10<sup>th</sup> November 2010 and notifications thereto, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 and rules made thereunder.

The Chief Audit Executive (CAE), Chief Compliance Officer (CCO) and Chief Financial Officer of the Bank attend the meetings of the Audit Committee. Shri Charanjit Singh is the CAE of the Bank. Shri Rudrapriyo Ray is the CCO and Chief Vigilance Officer of the Bank. The Executive Directors are permanent invitees to the meetings of the Audit Committee. The CAE of the Bank directly reports to the Audit Committee. The Company Secretary of the Bank acts as the secretary to the Audit Committee. Prof. Samir Barua, the former Chairman of the Audit Committee had attended the Twenty Fifth Annual General Meeting of the Shareholders of the Bank.

The Audit Committee discusses with the Statutory Auditors, the key highlights of the quarterly and annual financial results of the Bank, before recommending the same to the Board of Directors of the Bank, for their approval. The representatives of the Statutory Auditors have attended the meetings of the Audit Committee held during the year for review of the quarterly / annual financial results of the Bank. The Audit Committee also discusses with the Statutory Auditors the matters connected with the said financial results, without the presence of any executives of the Bank.

In all 10 meetings of the Audit Committee were held during the Financial Year 2019-20 i.e. on 25<sup>th</sup> April 2019, 22<sup>nd</sup> May 2019, 26<sup>th</sup> June 2019, 30<sup>th</sup> July 2019, 17<sup>th</sup> September 2019, 22<sup>nd</sup> October 2019, 18<sup>th</sup> December 2019, 13<sup>th</sup> January 2020, 22<sup>nd</sup> January 2020 and 17<sup>th</sup> March 2020.

The meeting held on 17<sup>th</sup> March 2020, was conducted through video conference.

The details of the meetings of the Audit Committee attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Prof. Samir K. Barua, Chairman <sup>1</sup>	Independent Director	3/3	1,50,000
Shri Girish Paranjpe, Chairman <sup>®</sup>	Independent Director	9/10	5,00,000
Shri S. Vishvanathan <sup>®</sup>	Independent Director	9/10	5,00,000
Shri Rakesh Makhija	Independent Director	10/10	5,50,000
Shri B. Baburao	Non-Executive (Nominee Director-SUUTI)	10/10	5,50,000

<sup>®</sup> Leave of absence was granted to the concerned Members who had expressed their inability to attend the respective meetings.

<sup>1</sup> Ceased to be a Member, w.e.f. the close of business hours on 21<sup>st</sup> July 2019.

### (3) Risk Management Committee

The Risk Management Committee of the Board of Directors of the Bank (Risk Management Committee) comprises of 3 members out of which 2 are Independent Directors.

Prof. Samir Barua ceased to be a Member and Chairman of the Risk Management Committee, with effect from the close of business hours on 21<sup>st</sup> July 2019. Smt. Ketaki Bhagwati, Independent Director of the Bank was appointed as the Chairperson of the Risk Management Committee, with effect from 22<sup>nd</sup> July 2019.

Dr. Sanjiv Misra ceased to be a Member of the Risk Management Committee, with effect from the close of business hours on 17<sup>th</sup> July 2019.

Smt. Usha Sangwan ceased to be a Member of the Risk Management Committee, with effect from 12<sup>th</sup> December 2019.

Shri Rajiv Anand ceased to be a Member of the Risk Management Committee, with effect from 20<sup>th</sup> January 2020.

The brief description of terms of reference of the Risk Management Committee, are as under:

- i) Framing and governing of the risk strategy and approving and reviewing the risk appetite of the Bank.
- ii) Ensuring that sound policies, procedures and practices are in place to manage its risks.
- iii) Establishing a framework to set and monitor limits across risk categories such as credit risk, market risk, operational risk etc. in order to ensure that the risk profile is adequately diversified.
- iv) Reviewing the Risk Management Framework formulated and adopted by the Bank taking into account the nature, size and complexity of the businesses undertaken by the Bank and recommending the same for the approval of the Board.
- v) To review the Risk Management Plan with respect to Cyber Security and monitor the implementation of the measures recommended by the IT Strategy Committee of Directors of the Bank, to mitigate any risk arising therefrom.
- vi) Ensuring compliance with requirements/guidance on risk management issued by RBI and other regulators.
- vii) To assess the internal and external risks, risks associated with systems, processes, individual platforms, adopted by the Bank, from time to time etc.

The Chief Risk Officer (CRO) of the Bank reports directly to the Managing Director & CEO of the Bank. Shri Amit Talgeri is the CRO of the Bank. The CRO of the Bank oversees the risk management function and is responsible for developing and setting the risk management framework, developing and maintaining systems and processes to identify, approve, measure, monitor, control and report risks, developing risk controls and mitigation processes, ensuring adherence to the Risk Appetite established by the Board. The CRO of the Bank is independent of the business lines and is actively involved in key decision making processes that impact the risk profile of the Bank. The CRO of the Bank also meets the Risk Management Committee without the presence of executive management of the Bank. The Bank has formulated and adopted a Policy defining the roles and responsibilities of the CRO, in terms of the guidelines issued by the RBI. Shri Amit Talgeri is the CRO of the Bank.

In all, 4 meetings of the Risk Management Committee were held during the Financial Year 2019-20 i.e. on 25<sup>th</sup> June 2019, 1<sup>st</sup> August 2019, 21<sup>st</sup> October 2019 and 21<sup>st</sup> January 2020.

The meetings held on 25<sup>th</sup> June 2019 and 1<sup>st</sup> August 2019, were conducted through video conference.

The details of the meetings of the Risk Management Committee attended by the Members during the year 2019-20, are given below:

			(in ₹)
Name of the Members	Designation	Attendance	Sitting fees
Prof. Samir K. Barua, Chairman <sup>1</sup>	Independent Director	1/1	50,000
Smt. Ketaki Bhagwati, Chairperson	Independent Director	4/4	2,00,000
Shri Amitabh Chaudhry	Managing Director & CEO	4/4	-
Dr. Sanjiv Misra <sup>2</sup>	Independent Director	1/1	50,000
Shri Rohit Bhagat	Independent Director	4/4	2,00,000
Smt. Usha Sangwan <sup>3</sup>	Non-Executive (Nominee Director - LIC)	2/3	1,00,000
Shri Rajiv Anand <sup>4</sup>	Executive Director (Wholesale Banking)	3/3	-

@ Leave of absence was granted to the concerned Member who had expressed her inability to attend the respective meeting.

1) Ceased to be a Member, w.e.f. the close of business hours on 21<sup>st</sup> July 2019.

2) Ceased to be a Member, w.e.f. the close of business hours on 17<sup>th</sup> July 2019.

3) Ceased to be a Member, w.e.f. 12<sup>th</sup> December 2019.

4) Ceased to be a member w.e.f. 20<sup>th</sup> January 2020.

#### (4) Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Board of Directors of the Bank (Stakeholders Relationship Committee) comprises of 3 members out of which 1 is an Independent Director.

Shri B. Baburao, Chairman of the Stakeholders Relationship Committee had attended the Twenty Fifth Annual General Meeting of the Shareholders of the Bank. Shri Girish V. Koliyote, Company Secretary of the Bank, is the Compliance Officer, in terms of Regulation 6 of the Listing Regulations.

The brief description of terms of reference of the Stakeholders Relationship Committee, are as under:

- i) Resolving the grievances, various aspects of interest of the security holders of the Bank, including complaints related to transfer/transmission of shares and debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- ii) Review the measures taken for effective exercise of voting rights by shareholders.
- iii) Review adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar & Share Transfer Agent.
- iv) 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.
- v) To review such other matters, as the Committee may deem appropriate, from time to time.

1 meeting of the Stakeholders Relationship Committee was held during the Financial Year 2019-20 on 15<sup>th</sup> October 2019. No meeting of the said Committee was conducted through video conference.

The details of the meetings of the Stakeholders Relationship Committee attended by the Members during the year 2019-20, are given below:

			(in ₹)
Name of the Members	Designation	Attendance	Sitting fees
Shri B. Baburao, Chairman	Non-Executive (Nominee Director-SUUTI)	1/1	50,000
Shri S. Vishvanathan	Independent Director	1/1	50,000
Shri Rajesh Dahiya	Executive Director (Corporate Centre)	1/1	-

#### (5) Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board of Directors of the Bank (Nomination and Remuneration Committee) comprises of 3 members out of which 2 are Independent Directors.

Shri Rohit Bhagat was appointed as the Chairman of the Nomination and Remuneration Committee with effect from 25<sup>th</sup> June 2019.

Shri Som Mittal ceased to be a Member of the Nomination and Remuneration Committee, with effect from the close of business hours on 21<sup>st</sup> October 2019.

Shri Rohit Bhagat, Chairman of the Nomination and Remuneration Committee attended the Twenty Fifth Annual General Meeting of the Shareholders of the Bank.

The brief description of terms of reference of the Nomination and Remuneration Committee, are as under:

- i) To evaluate the succession planning process adopted by the Bank and recommend the appointment / re-appointment of Individual & Independent Directors, Whole Time Directors and Senior Management along with the terms of appointment including remuneration.
- ii) To set the goals, objectives and performance benchmarks for the Bank, Whole Time Directors & senior management and review the performance as per the timelines.
- iii) To review and recommend to the Board the overall remuneration framework and the compensation decisions for the financial year.
- iv) To review the organization structure of the Bank and recommend to the Board the talent management, succession policy and process, creation of new positions one level below the MD & CEO of the Bank.
- v) Formulate the criteria and the manner for effective evaluation of performance of the Board as a whole, its Committees and individual directors, including independent directors of the Bank, which may be carried out either by the Committee or by the Board or with the help of an independent external agency and to review its implementation, compliance and outcomes.
- vi) Consider and approve the Stock based compensation for all the employees of the Bank including the Managing Director & CEO, other Whole-time Directors, Senior Management and other eligible employees of the Bank, in terms of the relevant provisions of the SEBI (Share Based Employee Benefits) Regulations, 2015, as amended, from time to time.

In all, 6 meetings of the Nomination and Remuneration Committee were held during the Financial Year 2019-20 i.e. on 25<sup>th</sup> April 2019, 14<sup>th</sup> May 2019, 24<sup>th</sup> October, 2019, 21<sup>st</sup> January 2020, 28<sup>th</sup> February 2020 and 18<sup>th</sup> March 2020.

The meetings held on 25<sup>th</sup> April 2019, 14<sup>th</sup> May 2019, 24<sup>th</sup> October 2019, 21<sup>st</sup> January 2020 and 18<sup>th</sup> March 2020, were conducted through video conference.

The details of the meetings of the Nomination and Remuneration Committee attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Shri Rohit Bhagat, Chairman	Independent Director	6/6	4,00,000
Shri Rakesh Makhija	Independent Director	6/6	4,00,000
Shri Som Mittal <sup>1</sup>	Independent Director	2/2	1,00,000
Shri Stephen Pagliuca <sup>@</sup>	Non-Executive (Nominee Director-Entities affiliated to BAIN Capital)	5/6	3,00,000

<sup>@</sup> Leave of absence was granted to the concerned Member who had expressed his inability to attend the respective meeting.

1) Ceased to be a Member, w.e.f. the close of business hours on 21<sup>st</sup> October 2019.

**(6) Special Committee of the Board of Directors for Monitoring of Large Value Frauds**

The Special Committee of the Board of Directors for Monitoring of Large Value Frauds of the Bank (Special Committee for Monitoring of Large Value Frauds) comprises of 5 members out of which 1 is an Independent Director.

Prof. Samir Barua ceased to be a Member and Chairman of the Special Committee for Monitoring of Large Value Frauds, with effect from the close of business hours on 21<sup>st</sup> July 2019. Shri B. Baburao, Non-Executive Director of the Bank was appointed as the Chairman of the Special Committee for Monitoring of Large Value Frauds with effect from 22<sup>nd</sup> July 2019.

Smt. Usha Sangwan ceased to be a Member of the Special Committee for Monitoring of Large Value Frauds, with effect from 12<sup>th</sup> December 2019.

Shri Rajiv Anand, Executive Director (Wholesale Banking) was inducted as a Member of Special Committee for Monitoring of Large Value Frauds, with effect from 18<sup>th</sup> December 2019.

The brief description of terms of reference of the Special Committee for Monitoring of Large Value Frauds, are as under:

- i) The main objectives of the Committee are to oversee investigation of large value frauds involving amount of ₹10 million and above in each case, actions taken by the Bank against the perpetrators of such frauds and suggesting / reviewing corrective steps to plug systemic loopholes, if any.
- ii) Monitor the progress in all the large value frauds and implementation of the suggestions made by the Committee.
- iii) The Committee also reviews the accounts identified as 'Red-Flagged' (RFA) with an exposure amounting to ₹500 million and above from the Bank, Cyber frauds and functioning of Fraud Review Council.
- iv) The Bank's Policy relating to Management and Reporting of Frauds is approved by the Committee.
- v) The functioning of the Committee are reviewed on a half yearly basis and their findings placed before the Board, for its review and noting.

In all, 4 meetings of Special Committee for Monitoring of Large Value Frauds were held during the financial Year 2019-20 i.e. on 22<sup>nd</sup> May 2019, 17<sup>th</sup> September 2019, 19<sup>th</sup> December 2019 and 16<sup>th</sup> March 2020.

The meetings held on 22<sup>nd</sup> May 2019, 17<sup>th</sup> September 2019 and 16<sup>th</sup> March 2020, were conducted through video conference.

The details of the meetings of the Special Committee for Monitoring of Large Value Frauds attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Prof. Samir Barua, Chairman <sup>1</sup>	Independent Director	1/1	50,000
Shri B. Baburao, Chairman	Non-Executive (Nominee Director-SUUTI)	4/4	2,00,000
Shri Amitabh Chaudhry	Managing Director & CEO	4/4	-
Shri Rakesh Makhija	Independent Director	4/4	2,00,000
Smt. Usha Sangwan <sup>2</sup>	Non-Executive (Nominee Director-LIC)	2/2	1,00,000
Shri Rajesh Dahiya	Executive Director (Corporate Centre)	4/4	-
Shri Rajiv Anand <sup>3</sup>	Executive Director (Wholesale Banking)	2/2	-

1) Ceased to be a Member, w.e.f. the close of business hours on 21<sup>st</sup> July 2019.

2) Ceased to be a Member, w.e.f. 12<sup>th</sup> December 2019.

3) Inducted as a member w.e.f. 18<sup>th</sup> December 2019.

#### (7) **Customer Service Committee**

The Customer Service Committee of the Board of Directors of the Bank (Customer Service Committee) comprises of 4 members out of which 1 is an Independent Director.

Shri Som Mittal ceased to be a Member and Chairman of the Customer Service Committee, with effect from the close of business hours on 21<sup>st</sup> October 2019. Shri Amitabh Chaudhry, Managing Director & CEO of the Bank was appointed as the Chairman of the Customer Service Committee, with effect from 22<sup>nd</sup> October 2019.

Smt. Usha Sangwan ceased to be a Member of the Customer Service Committee, with effect from 12<sup>th</sup> December 2019.

Shri Pralay Mondal, Executive Director (Retail Banking) was inducted as a Member of the Customer Service Committee, with effect from 16<sup>th</sup> September 2019.

The brief description of terms of reference of the Customer Service Committee, are as under:

- i) Oversee the functioning of various customer sub committees at the Bank.
- ii) Review complaints and quality of service provided by the Bank & it's subsidiaries to ensure a robust grievance redressal mechanism.
- iii) Approve policy documents and review effective implementation of RBI directives.
- iv) To review progress on other regulatory matters.
- v) Review the initiatives taken by the Bank to enhance customer experience.

In all, 4 meetings of the Customer Service Committee were held during the financial Year 2019-20 i.e. on 26<sup>th</sup> April 2019, 31<sup>st</sup> July 2019, 13<sup>th</sup> December 2019 and 12<sup>th</sup> February 2020.

The meetings held on 26<sup>th</sup> April 2019 and 31<sup>st</sup> July 2019, were conducted through video conference.

The details of the meetings of the Customer Service Committee attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Shri Som Mittal, Chairman <sup>1</sup>	Independent Director	2/2	1,00,000
Shri Amitabh Chaudhry, Chairman	Managing Director & CEO	4/4	-
Shri Girish Paranjpe	Independent Director	4/4	2,00,000
Smt. Usha Sangwan @ <sup>2</sup>	Non-Executive (Nominee Director-LIC)	1/2	50,000
Shri B. Baburao	Non-Executive (Nominee Director - SUUTI)	4/4	2,00,000
Shri Pralay Mondal <sup>3</sup>	Executive Director (Retail Banking)	2/2	-

@ Leave of absence was granted to Smt. Usha Sangwan, who had expressed her inability to attend the respective meeting.

1) Ceased to be a Member, w.e.f. the close of business hours on 21<sup>st</sup> October 2019.

2) Ceased to be a Member, w.e.f. 12<sup>th</sup> December 2019.

3) Inducted as a Member, w.e.f. 16<sup>th</sup> September 2019.

#### **(8) IT Strategy Committee**

The IT Strategy Committee of the Board of Directors of the Bank (IT Strategy Committee) comprises of 3 members out of which 1 is an Independent Director.

Shri Som Mittal ceased to be a Member and Chairman of the IT Strategy Committee, with effect from the close of business hours on 21<sup>st</sup> October 2019. Shri Girish Paranjpe, Independent Director of the Bank was appointed as the Chairman of the IT Strategy Committee with effect from 22<sup>nd</sup> October 2019.

Shri Rajiv Anand, Executive Director (Wholesale Banking) ceased to be a Member of the IT Strategy Committee, with effect from 16<sup>th</sup> September 2019.

Shri Pralay Mondal, Executive Director (Retail Banking) was inducted as a Member of the IT Strategy Committee, with effect from 16<sup>th</sup> September 2019.

The brief description of terms of reference of the IT Strategy Committee, are as under:

- i) Approving IT Strategy and policies and ensuring that IT strategy is aligned with business strategy.
- ii) Ensure that IT architecture, investment, organisational structure, resources and performance measurement parameters are geared to deliver business value and contribute to the Bank's growth.
- iii) Assessing and reviewing the strategy for addressing IT and cyber security risks.
- iv) Exercise oversight to ensure effective functioning of the IT Operations of the Bank.



- v) Review the Business Continuity Plan (BCP)/Disaster Recovery (DR) Plan of the Bank and exercise oversight over the efficacy of the BCP/DR process adopted by the Bank and recommend measures for its improvement.

In all, 4 meetings of IT Strategy Committee were held during the Financial Year 2019-20 i.e. on 16<sup>th</sup> May 2019, 9<sup>th</sup> August 2019, 13<sup>th</sup> December 2019 and 12<sup>th</sup> February 2020.

The meeting held on 16<sup>th</sup> May 2019, was conducted through video conference.

The details of the meetings of the IT Strategy Committee attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Shri Som Mittal, Chairman <sup>1</sup>	Independent Director	2/2	1,00,000
Shri Girish Paranjpe, Chairman	Independent Director	4/4	2,50,000
Shri Amitabh Chaudhry	Managing Director & CEO	4/4	-
Shri Rajiv Anand <sup>2</sup>	Executive Director (Wholesale Banking)	2/2	-
Shri Pralay Mondal <sup>3</sup>	Executive Director (Retail Banking)	2/2	-

1) Ceased to be a Member, w.e.f. the close of business hours on 21<sup>st</sup> October 2019.

2) Ceased to be a Member, w.e.f. 16<sup>th</sup> September 2019.

3) Inducted as a Member, w.e.f. 16<sup>th</sup> September 2019.

**(9) Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee of the Board of Directors of the Bank (CSR Committee) comprises of 3 members out of which 1 is an Independent Director.

Shri Som Mittal ceased to be a Member and Chairman of the CSR Committee, with effect from the close of business hours on 21<sup>st</sup> October 2019.

Shri Rakesh Makhija, Independent Director of the Bank was inducted as a member of the CSR Committee, with effect from 16<sup>th</sup> September 2019. He became Chairman of the Committee w.e.f. 22<sup>nd</sup> October 2019.

The brief description of terms of reference of the CSR Committee, are as under:

- i) Formulate and recommend to the Board, the CSR Strategy, themes, focus areas and review mechanism including the CSR Policy of the Bank.
- ii) Review and approve, the CSR projects/programs to be undertaken by the Bank either directly or through Axis Bank Foundation (ABF) or through implementation partners as deemed suitable, during the financial year and specify modalities for its execution and implementation schedules for the same, in terms of the CSR Policy of the Bank.
- iii) Recommend the amount of expenditure to be incurred on the CSR activities and undertaking a review, monitoring and evaluation of the initiatives to ensure compliance against agreed targets.
- iv) Review the amounts spent on the CSR projects/ programs during the financial year and the amounts unspent as at the end of the financial year, ascertain reasons thereof and issue appropriate directions on unspent CSR amounts, in terms of Section 135(5) of the Companies Act, 2013.
- v) Instituting a transparent monitoring mechanism to ensure implementation of the CSR projects/programs/ activities and conducting impact assessment of the various initiatives at periodic intervals.
- vi) Reviewing and recommending the annual CSR report for the Board's approval and for public disclosure.
- vii) Periodically review the activities undertaken by the Bank to promote sustainable business/ non-business practices and relevant disclosure in the Annual Sustainability Report of the Bank.

The details of the CSR activities undertaken by the Bank during the year under review have been provided in the annexure to the Directors' report.

In all, 4 meetings of CSR Committee were held during the Financial Year 2019-20 i.e. on 16<sup>th</sup> May 2019, 16<sup>th</sup> September 2019, 19<sup>th</sup> December 2019 and 16<sup>th</sup> March 2020.

The meetings held on 16<sup>th</sup> May 2019 and 16<sup>th</sup> March 2020, were conducted through video conference.

The details of the CSR Committee meetings attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Shri Rakesh Makhija, Chairman <sup>1</sup>	Independent Director	3/3	1,50,000
Shri Som Mittal <sup>2</sup>	Independent Director	2/2	1,00,000
Shri Rajesh Dahiya	Executive Director (Corporate Centre)	4/4	-
Shri Rajiv Anand <sup>@</sup>	Executive Director (Wholesale Banking)	3/4	-

@ Leave of absence was granted to Shri Rajiv Anand who had expressed his inability to attend the respective meeting.

1) Inducted as a Member, w.e.f. 18<sup>th</sup> September 2019.

2) Ceased to be a Member, w.e.f. the close of business hours on 21<sup>st</sup> October 2019.

#### (10) Review Committee

The Review Committee of the Board of Directors of the Bank (Review Committee) comprises of 3 members out of which 2 are Independent Directors.

The brief description of terms of reference of the Review Committee, are as under:

- i) To review and confirm the Order(s) passed by the Internal Committee identifying a borrower as a Wilful Defaulter, in terms of Para 3 (c) of the of RBI Master Circular No. RBI/2015-16/100 DBR.No.CID. BC.22/20.16.003/2015-16.
- ii) To review and confirm the Order(s) passed by the Internal Committee identifying a borrower as a Non-cooperative borrower, in terms of Para 2 (d) of RBI Circular No. RBI/2014-15/362 DBR.No.CID. BC.54/20.16.064/2014-15 dated December 22, 2014.
- iii) To review the information relating to the non-cooperative borrowers to be submitted to Central Repository of Information on Large Credits (CRILC).
- iv) To put in place a system for proper and timely classification of borrowers as wilful defaulters or/as non-cooperative borrowers. The said accounts of such borrowers shall be reviewed at-least on a half-yearly basis, and a report thereon shall be placed before the Board for its review and noting.

In all 3 meetings of Review Committee were held during the Financial Year 2019-20 i.e. on 26<sup>th</sup> June 2019, 22<sup>nd</sup> July 2019 and 16<sup>th</sup> September 2019.

The meeting held on 16<sup>th</sup> September 2019, was conducted through video conference.

The details of the meetings of the Review Committee attended by the Members during the year 2019-20, are given below:

(in ₹)			
Name of the Members	Designation	Attendance	Sitting fees
Shri Amitabh Chaudhry, Chairman	Managing Director & CEO	3/3	-
Shri S. Vishvanathan	Independent Director	3/3	1,50,000
Smt. Ketaki Bhagwati	Independent Director	3/3	1,50,000

#### (11) Acquisitions, Divestments & Mergers Committee

The Acquisitions, Divestments and Mergers Committee of the Board of Directors of the Bank (ADAM Committee) comprises of 4 members out of which 3 are Independent Directors.

The brief description of the terms of reference of ADAM Committee, are as under:

- i) The main function of the Committee is to consider any idea or proposal relating to merger and acquisition. This Committee will consider such ideas/proposals and give its in-principle approval in the matter and recommend the same for the approval of the Board of Directors.
- ii) Acquisition of business: Business takeover/acquisition as distinct from portfolio or asset purchase (If the purchase of a portfolio is accompanied by other integral elements of the business such as manpower, technology or a distribution franchise, a reference should be made to the Committee).
- iii) Strategic investments: Acquisition of greater than 25% stake in a company or acquisition of stake in a company where the proportion is 25% or lower but where the Bank intends to have management participation. (These exclude cases where the stake is acquired under a loan-restructuring/CDR arrangement or where shares are pledged to the Bank against credit facilities).
- iv) Strategic divestments: Sale of an existing business of the Bank (as distinct from the sale of assets in the normal course of business, sale to ARCs and fixed assets) or sale of stake (including minority stake) in strategic investments/ subsidiary companies of the Bank.

In all 5 meetings of ADAM Committee were held during the Financial Year 2019-20 i.e. on 19<sup>th</sup> July 2019, 21<sup>st</sup> January 2020, 4<sup>th</sup> February 2020, 11<sup>th</sup> March 2020 and 12<sup>th</sup> March 2020.

The meetings held on 14<sup>th</sup> February 2020, 11<sup>th</sup> March 2020 and 12<sup>th</sup> March 2020, were conducted through video conference.

The details of the meetings of the ADAM Committee attended by the Members during the year 2019-20, are given below

Name of the Members	Designation	Attendance	Sitting fees (in ₹)
Shri Rohit Bhagat, Chairman	Independent Director	5/5	2,50,000
Shri Amitabh Chaudhry	Managing Director & CEO	5/5	-
Shri Rakesh Makhija	Independent Director	5/5	2,50,000
Smt. Ketaki Bhagwati	Independent Director	5/5	2,50,000

**(12) Committee of Whole-Time Directors**

The Committee of Whole-Time Directors of the Board of Directors of the Bank (COWTD) comprises of 4 members.

Shri Pralay Mondal, Executive Director (Retail Banking) was inducted as a member of the Committee of Whole-Time Directors, with effect from 16<sup>th</sup> September 2019.

The brief description of the terms of reference of COWTD, are as under:

- i) Issuance of General/Special Power of Attorney to various officials of the Bank and the Subsidiary Companies of the Bank to do such acts, deeds, matters and things as may be considered necessary or appropriate for and on behalf of the Bank.
- ii) Approve the allotment of equity shares pursuant to exercise of stock option by eligible employees/ directors of the Bank and that of its subsidiary companies, in terms of the relevant Employee Stock Option Scheme(s) of the Bank.
- iii) Approve the allotment of Debt Securities issued by the Bank, including, but not limited to long term bonds, green bonds, non-convertible debentures, perpetual debt instruments, Tier II Capital Bonds or such other Debt Securities/Securities as may be issued by the Bank.
- iv) To discuss matters inter alia relating to the operations, strategies, business opportunities relating to the Bank and/or that of its subsidiaries.
- v) Annual Branch Expansion Plan approved by the Board: Substitution of Branch Centres/ Business Correspondents - Banking outlets/ New Specialised & CPC/ Service Branches/ Rural Unbanked Centre.

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- vi) Any other matter as may be authorised by the Board of Directors/Board Committees or required to be done pursuant to any laws, rules, regulations or any internal policies of the Bank.

In all, 19 meetings of COWTD were held during the Financial Year 2019-20 i.e. on 22<sup>nd</sup> April 2019, 20<sup>th</sup> May 2019, 29<sup>th</sup> May 2019, 26<sup>th</sup> June 2019, 29<sup>th</sup> July 2019, 20<sup>th</sup> August 2019, 18<sup>th</sup> September 2019, 19<sup>th</sup> September 2019 (2 meetings), 25<sup>th</sup> September 2019 (3 meetings), 26<sup>th</sup> September 2019, 24<sup>th</sup> October 2019, 18<sup>th</sup> November 2019, 20<sup>th</sup> December 2019, 27<sup>th</sup> January 2020, 20<sup>th</sup> February 2020 and 23<sup>rd</sup> March 2020.

No meeting of COWTD was conducted through video conference.

No sitting fees are paid to the Members of the COWTD, for participating in the said meetings.

The details of the COWTD meetings attended by the Members during the year 2019-20, are given below:

Name of the Members	Designation	Attendance	Sitting fees
Shri Amitabh Chaudhry, Chairman	Managing Director & CEO	19/19	-
Shri Rajiv Anand <sup>@</sup>	Executive Director (Wholesale Banking)	14/19	-
Shri Rajesh Dahiya <sup>@</sup>	Executive Director (Corporate Centre)	16/19	-
Shri Pralay Mondal <sup>@1</sup>	Executive Director (Retail Banking)	11/13	-

(in ₹)

<sup>@</sup> Leave of absence was granted to the concerned Members who had expressed their inability to attend the respective meetings.

<sup>1)</sup> Inducted as a Member, w.e.f. 16<sup>th</sup> September 2019.

#### IV. Management Committee

The Management Committee (MANCOM), is the key decision-making body of the Bank and has been constituted as part of the governance and administrative structure of the Bank. The MANCOM comprises of the Managing Director & CEO, the Executive Directors and the Group Executives of the Bank.

The MANCOM meets periodically to review matters, inter alia, relating to Business Strategy, Financial Reports, Risk, Compliance, Customer Service, Financial Inclusion, Human Capital and Business Continuity Planning of the Bank.

The MANCOM also discusses cross-functional initiatives, debates on and respond to any material developments (internal and external), ideates and reviews key financial, operational and human capital issues, evaluate performance against the Balance Score Card(s) of the Bank, KRA of key personnel, Business Plans, performance of the subsidiary companies of the Bank, ideate and execute strategies for the Bank/ Group companies, review risk assessment reports, inspection/scrutiny reports of regulators, internal auditor, etc.

#### V. Executive Committees

The Bank has constituted various Executive Committees to deal with various operational, administrative and day to day matters relating to HR, IT, Risk, Credit, Audit, Management, Customer Service, Product/Change Management, Fraud, BCP & Crisis Management, Prevention of Sexual Harassment, Whistle blower, IND AS, Outsourcing etc.

#### Special Meeting of Independent Directors

In terms of Para VII to Schedule IV of the Companies Act, 2013, the Independent Directors are required to meet without the presence of Non-Independent Directors and Executive Management, to review the matters as set out therein. During the year under review, the Independent Directors of the Bank met on 22<sup>nd</sup> January 2020 to review the process proposed to be adopted for conduct of Board performance evaluation as per the criteria recommended by the Nomination and Remuneration Committee.

Thereafter, the Independent Directors at its meeting held on 29<sup>th</sup> April 2020, evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Bank after taking into account the views of the Executive and Non-Executive Directors of the Bank and also assessed the quality, quantity and timeliness of flow of information between the Management and the Board, in accordance with Para VII to Schedule IV of the Companies Act, 2013.

No sitting fee was paid to the Independent Directors of the Bank for participating in the said meetings.

### Board Performance Evaluation

The performance evaluation of Board, its Committees, Chairman and Individual Directors was done in accordance with the relevant provisions of the Companies Act, 2013, the relevant Rules made thereunder and the Listing Regulations relating to Corporate Governance.

The Nomination and Remuneration Committee is the nodal agency for conducting the said performance evaluation. The Nomination and Remuneration Committee approved the manner for conducting the said performance evaluation, determined the criteria for the same and appointed an Independent external agency to administer the same.

The performance evaluation of the Board is conducted on various aspects of the Board's functioning such as strategic planning, identification and management of risk, succession planning and evaluation of management, audit & compliance, governance, relationship with executive management of the Bank, etc.

The performance evaluation of the Board Committees is based on criteria such as appropriate composition, clarity in terms of reference, regularity of meetings, quality of discussion / deliberation at its meetings, participation of members and aspects specific to those Committees, etc.

The performance evaluation of Directors is carried out on various criteria such as attendance, participation at the meetings, interpersonal relationship with other Directors, providing guidance, knowledge and understanding of areas relevant to the operations of the Bank, etc.

The said performance evaluation was conducted by the Nomination and Remuneration Committee/ Board at its meeting held on 27<sup>th</sup> April 2020 and 29<sup>th</sup> April 2020, respectively. The disclosure in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2018/79 dated 10<sup>th</sup> May 2018, on Board evaluation, is detailed as under:

1. Observations of board evaluation carried out for the year: 4 observations have emanated from the Board performance evaluation for the Financial Year 2019-20. These mainly relate to sharpening of Board agenda, functioning of Committees, continued expertise building among board members and board diversity and skills.
2. Previous year's observations and actions taken: 8 observations had arisen from the Board performance evaluation for the Financial Year 2018-19. These mainly relate to strategic direction for the Bank and subsidiaries alignment and integration among multiple strategic perspectives, agenda setting of the Board/Committees, composition of Board and certain Committees and steps to be taken to further enhance the expertise and domain knowledge of the members of the Board. The Bank has complied with the said observations, which was also reviewed by the Board.
3. Proposed actions based on current year observations: The Bank has accepted all the observations made by the Board emanating from the Board performance evaluation for the Financial Year 2019-20 and the same has been conveyed to the concerned stakeholders, for appropriate action. The status of compliance with the said observations will be reviewed by the NRC and reported to the Board.

### Familiarisation Programme for Independent Directors

The Bank has conducted the familiarisation programme for its Independent and Non-Executive Directors covering the matters as specified under Regulation 25 (7) of the Listing Regulations. The details of the same have been uploaded on the website of the Bank at <https://www.axisbank.com/shareholders-corner/corporate-governance/compliance-report>.

### Induction Programme for new Directors

New Directors of the Bank are inducted through one to one meetings with the Managing Director & CEO, Whole Time Directors and other members of the Senior Management on matters relating to business strategy, regulatory environment, business plans and key performance indicators. They are also provided with information relating to the finances and operations of the Bank, the organization structure and their roles, duties and responsibilities. On appointment, the Independent Directors are issued a Letter of Appointment setting out the terms and conditions relating to their appointment and their duties and responsibilities under applicable laws. The said letter is also uploaded on the website of the Bank at <https://www.axisbank.com/shareholders-corner/corporate-governance>.

### Remuneration Policy

The Bank's remuneration practices are underpinned by principles of meritocracy and fairness. The remuneration system strives to maintain the ability to attract, retain, reward and motivate talent in order to enable the Bank to attain its strategic objectives within the increasingly competitive context in which it operates. The Bank's pay-for-performance approach strives to ensure that both internal and external equity are in line with the emerging market trends.

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The Bank had formulated and adopted a Comprehensive Remuneration Policy for its Directors, Key Managerial Personnel and Employees of the Bank, in terms of Section 178 of the Companies Act, 2013, the relevant Rules made thereunder, Regulation 19 of the Listing Regulations and the Guidelines issued by the RBI, in this regard, from time to time.

The Reserve Bank of India vide its Circular dated 4<sup>th</sup> November 2019, issued revised Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff, which is effective from 1<sup>st</sup> April 2020.

In terms of the said Guidelines, the Bank formulated and adopted the Remuneration Policy for Non-Executive Chairman and Non-Executive Directors of the Board and the Remuneration Policy for MD & CEO, Whole-Time Directors, Material Risk Takers, Control Function Staff and other employees of the Bank. Accordingly, the Bank modified the compensation structure of its employees to whom the said Guidelines are applicable. The components of fixed pay and the percentage of fixed and variable pay forming part of the total pay have been modified. The compensation structure also includes deferral arrangement. The Bank has identified Material Risk Takers based on the qualitative and quantitative criteria prescribed by the RBI in the said Guidelines. The Bank has also identified representative set of situations which require the Bank to invoke malus and/or clawback clauses. Further, the Bank has specified a period during which provisions relating to malus and/or clawback can be applied, covering at least, deferral and retention period.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board has reviewed and approved the said Policies, in accordance with the said Guidelines. The said Policies are effective from 1<sup>st</sup> April 2020.

The remuneration paid to all the employees of the Bank, for the financial year 2019-20, is in accordance with the Comprehensive Remuneration Policy of the Bank.

#### Remuneration of Directors

- i. Dr. Sanjiv Misra was appointed as the Non-Executive (Part-time) Chairman of the Bank, for a period of three years, with effect from 18<sup>th</sup> July 2016. Dr. Sanjiv Misra ceased to be the Non-Executive (Part-Time) Chairman of the Bank, pursuant to the completion of his tenure, with effect from the close of business hours on 17<sup>th</sup> July 2019. The details of remuneration paid to Dr. Sanjiv Misra, in terms of the approvals granted by the Reserve Bank of India and the Shareholders of the Bank, for the period from 1<sup>st</sup> April 2019 upto 17<sup>th</sup> July 2019 (both days inclusive), is as under:

For the period	1 <sup>st</sup> April 2019 upto 17 <sup>th</sup> July 2019 (both days inclusive)
Remuneration	₹ 2,75,000 per month
Company Car	Free use of Bank's Car for official and private purposes
Touring	Travelling and Official expenses to be borne by the Bank for Board functions as a Chairman
Sitting Fees	As payable to other Non-Executive Directors

- ii. Shri Rakesh Makhija was appointed as the Non-Executive (Part-Time) Chairman of the Bank, with effect from 18<sup>th</sup> July 2019. The details of remuneration paid to Shri Rakesh Makhija, in terms of the approvals granted by the Reserve Bank of India and the Shareholders of the Bank for the period from 18<sup>th</sup> July 2019 up to 31<sup>st</sup> March 2020 (both days inclusive), is as under:

For the period	18 <sup>th</sup> July 2019 up to 31 <sup>st</sup> March 2020 (both days inclusive)
Remuneration	₹ 2,75,000 per month
Company Car	Free use of Bank's Car for official and private purposes
Touring	Travelling and Official expenses to be borne by the Bank for Board functions as a Chairman
Sitting Fees	As payable to other Non- Executive Directors

- iii. The details of remuneration paid to Shri Amitabh Chaudhry for the period from 1<sup>st</sup> April 2019 up to 31<sup>st</sup> March 2020, in terms of the approvals granted by the RBI and the Shareholders of the Bank, are given below in sub para ix.

Shri Amitabh Chaudhry was granted 9,80,000 stock options, under the Employee Stock Option Scheme of the Bank, since 1<sup>st</sup> January 2019 being the date of his appointment as the Managing Director & CEO of the Bank. Out of the above, 2,94,000 stock options have been vested, no stock options have been exercised and 2,94,000 stock options remain unexercised, as on 31<sup>st</sup> March 2020. Further, 6,86,000 stock options remain unvested, as on 31<sup>st</sup> March 2020.

- iv. Shri Rajiv Anand was re-appointed as the Executive Director (Wholesale Banking) of the Bank, for a period of 3 years, with effect from 4<sup>th</sup> August 2019 up to 3<sup>rd</sup> August 2022 (both days inclusive). The details of the remuneration paid to Shri

Rajiv Anand during the year under review, in terms of the approvals granted by the RBI and the Shareholders of the Bank, are given below in sub-para ix.

Shri Rajiv Anand was granted 24,70,000 stock options, in various tranches under the various Employee Stock Option Schemes of the Bank, since 30<sup>th</sup> March 2009 being the date of his appointment as the Managing Director & CEO of Axis Asset Management Company Limited, subsidiary of the Bank. Out of the above, 19,59,000 stock options have been vested, 10,52,500 stock options have been exercised and the balance 9,06,500 stock options remain unexercised, as on 31<sup>st</sup> March 2020. Further, 5,11,000 stock options remain unvested, as on 31<sup>st</sup> March 2020.

- v. Shri Rajesh Dahiya was re-appointed as the Executive Director (Corporate Centre) of the Bank, for a period of 3 years, with effect 4<sup>th</sup> August 2019 up to 3<sup>rd</sup> August 2022 (both days inclusive). The details of the remuneration paid to Shri Rajesh Dahiya during the year under review, in terms of the approvals granted by the RBI and the Shareholders of the Bank, are given below in sub-para ix.

Shri Rajesh Dahiya was granted 15,87,500 stock options, in various tranches under the various Employee Stock Option Schemes of the Bank, since 1<sup>st</sup> June 2010 being the date of his appointment as the President (Human Resources) of the Bank. Out of the above, 11,76,500 stock options have been vested, 6,10,000 stock options have been exercised and the balance 5,66,500 stock options remain unexercised, as on 31<sup>st</sup> March 2020. Further, 4,11,000 stock options remain unvested, as on 31<sup>st</sup> March 2020.

- vi. Shri Pralay Mondal was appointed as the Executive Director (Retail Banking) of the Bank, for a period of 3 years, with effect 1<sup>st</sup> August 2019 up to 31<sup>st</sup> July 2022 (both days inclusive). The details of the remuneration paid to Shri Pralay Mondal during the year under review, in terms of the approvals granted by the RBI and the Shareholders of the Bank, are given below in sub-para ix.

Shri Pralay Mondal was granted 3,50,000 stock options under the various Employee Stock Option Schemes of the Bank, since 1<sup>st</sup> April 2019 as much being the date of his appointment as Group Executive of the Bank. Out of the above, no stock options have been vested, as such no stock options have been exercised and no stock options remain unexercised, as on 31<sup>st</sup> March 2020.

- vii. The Bank does not grant stock options to its Non-Executive Directors. The Non-Executive Directors of the Bank are eligible to receive sitting fees for the meetings of the Board / Committees, attended by them and to Profit Linked Commission (except for Non-Executive (Part-Time) Chairman), in terms of the RBI circular No DBR.No.BC.97/29.67.001/2014-15 dated 1<sup>st</sup> June 2015 on Guidelines on Compensation of Non-Executive Directors of Private Sector Banks.
- viii. The Whole-Time Directors of the Bank are not entitled to receive any sitting fees from the Bank or from its Subsidiary Companies, for attending meetings of the Board and its Committees. Further, the Whole-Time Directors of the Bank are not entitled to receive any remuneration or commission from any of the subsidiary companies of the Bank.
- ix. The details of remuneration paid to the Whole-Time Directors of the Bank during the financial year 2019-20, in terms of the approvals granted by the RBI and the Shareholders of the Bank, are as under:

(in ₹)

	Shri Amitabh Chaudhry [1.4.2019 to 31.3.2020]	Shri Rajiv Anand [1.4.2019 to 31.3.2020]	Shri Rajesh Dahiya [1.4.2019 to 31.3.2020]	Shri Pralay Mondal [1.8.2019 to 31.3.2020]
Salary (Basic)	3,87,54,000	1,85,93,952	1,65,39,852	1,13,49,424
Leave Fare Concession facility	9,99,996	5,49,996	5,49,996	3,66,664
House Rent Allowance	1,07,64,996	61,36,008	54,58,152	37,45,312
Variable pay (for 2018-19)	45,36,986	87,69,488	77,93,800	-
Superannuation Allowance / Fund	38,75,400	18,59,400	16,53,983	11,34,944
Perquisites (excluding ESOP)	2,04,233	30,98,384	30,95,531	17,08,590
Provident Fund (Bank Contribution)	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay	12% of Basic Pay
Gratuity	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service	One month's salary for each completed year of service
Leave Encashment	10,00,000	26,09,967	24,41,666	-

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Perquisites (evaluated as per Income Tax Rules, 1962, wherever applicable, or otherwise at actual cost to the Bank) such as Bank's furnished accommodation, electricity, water and furnishings, club fees, personal accident insurance, loans, use of car and telephone at residence, medical reimbursement, travelling and halting allowances, newspapers and periodicals and others were provided in accordance with the Rules of the Bank.

The Bank as a policy, does not pay any severance fees to its Managing Director & CEO or to its Whole-Time Directors. The tenure of the office of the Managing Director & CEO and the Whole-Time Directors of the Bank is for a period of three years from date of their respective appointment/re-appointment, as approved by the RBI and the same can be terminated by either party by giving three months notice in writing, subject to compliance with the provisions of Section 35B of the Banking Regulation Act, 1949.

- x. All the Non-Executive Directors of the Bank were paid sitting fees of ₹ 1,00,000 for every meeting of the Board and ₹ 50,000 for every meeting of the Committees attended by them. However, in view of the increase in the duties, roles and responsibilities of the Non-Executive Directors and also in view of increase in the time commitment required, the Board at its meeting held on 22<sup>nd</sup> January 2020 approved a revision in the sitting fees payable to the Non-Executive Directors of the Bank in respect of the following key Committees viz. Nomination and Remuneration Committee, Audit Committee, Committee of Directors, Risk Management Committee and IT Strategy Committee of the Board, from ₹ 50,000/- to ₹ 1,00,000/- per meeting, with effect from 1<sup>st</sup> February 2020. The sitting fees with respect to other Board Committees remain unchanged at ₹ 50,000/- per meeting.
- xi. The details of the sitting fees paid to the Non-Executive Directors of the Bank for the meetings of the Board and Committees, attended by them during the financial year 2019-20, are as under:

Name of the Directors	Sitting Fees
Shri Rakesh Makhija	25,50,000
Dr. Sanjiv Misra (Ceased to be the Non-Executive (Part-Time) Chairman of the Bank w.e.f. the close of business hours on 17 <sup>th</sup> July 2019).	3,50,000
Prof. Samir K. Barua (Ceased to be an Independent Director of the Bank on expiry of his tenure, w.e.f. the close of business hours on 21 <sup>st</sup> July 2019).	6,50,000
Shri Som Mittal (Ceased to be an Independent Director of the Bank on expiry of his tenure, w.e.f. the close of business hours on 21 <sup>st</sup> October 2019).	9,00,000
Shri Rohit Bhagat	17,50,000
Smt. Usha Sangwan (Ceased to be a Nominee Director of the Bank w.e.f. 12 <sup>th</sup> December 2019)	5,50,000
Shri S. Vishvanathan	27,00,000
Smt. Ketaki Bhagwati	25,50,000
Shri B. Baburao	30,00,000
Shri Stephen Pagliuca	12,00,000
Shri Girish Paranjpe	19,50,000
<b>Total</b>	<b>1,81,50,000</b>

- xii. As on 31<sup>st</sup> March 2020, none of the Non-Executive Directors of the Bank or their immediate relatives held any equity shares or convertible instruments of the Bank.
- xiii. Details of Profit Linked Commission, for the financial year 2018-19, in terms of the RBI Circular No.DBR. No.BC.97/29.67.001/2014-15 dated 1<sup>st</sup> June 2015 on Guidelines on Compensation of Non-Executive Directors of Private Sector Banks, which was paid to them during the financial year 2019-20, are as under:

Sr. No	Name of the Directors	Profit linked Commission
1.	Shri Prasad R Menon <sup>#</sup>	5,23,288
2.	Prof. Samir Barua	10,00,000
3.	Shri Som Mittal	10,00,000
4.	Shri Rohit Bhagat	10,00,000
5.	Shri S. Vishvanathan	10,00,000
6.	Smt. Usha Sangwan <sup>*&amp;</sup>	5,33,000
7.	Shri Rakesh Makhija	10,00,000
8.	Smt. Ketaki Bhagwati	10,00,000
9.	Shri B. Baburao <sup>*</sup>	10,00,000



		(in ₹)
Sr. No	Name of the Directors	Profit linked Commission
10.	Shri Stephen Pagliuca	10,00,000
11.	Shri Girish Paranjpe <sup>§</sup>	4,10,959

# Shri Prasad R. Menon ceased to be an Independent Director of the Bank with effect from the close of business hours on 8<sup>th</sup> October 2018 pursuant to the expiry of his tenure as an Independent Director of the Bank and therefore was entitled to commission, for the period from 1<sup>st</sup> April 2018 up to 8<sup>th</sup> October 2018 (both days inclusive).

\* The commission paid to Smt. Usha Sangwan, Nominee Director of LIC and Shri B. Baburao, Nominee Director of SUUTI has been credited to the designated bank account of LIC and SUUTI, respectively.

& Since the attendance of Smt. Usha Sangwan at the Board/Committee meetings, during the FY 2018-19, was less than 75%, she was paid profit linked commission in proportion to her attendance.

§ Shri Girish Paranjpe was appointed as an Independent Director of the Bank, with effect from 2<sup>nd</sup> November 2018. Accordingly, Shri Paranjpe was paid commission, for the period from 2<sup>nd</sup> November 2018 upto 31<sup>st</sup> March 2019 (both days inclusive).

### Fees paid to Statutory Auditors

The details of fees for all services availed by the Bank and its subsidiaries, on a consolidated basis, from the Statutory Auditors M/s Haribhakti & Co. LLP and all entities in the network firm/network entity of which M/s Haribhakti & Co. LLP is part thereof, is detailed as under:

		(in ₹)
Sr. No.	Particulars	Amount <sup>1</sup>
1.	Audit Fees	1,79,00,000
2.	Fees for certification and other attest services <sup>2</sup>	3,05,10,000
<b>Total</b>		<b>4,84,10,000</b>

1. The above fees excludes taxes, clerkage fees and out of pocket expenses.

2. Includes fees classified under share issue expenses towards certification services in respect of capital raised during the year.

The said fees have been reviewed and approved by the Audit Committee of Board of the Bank and that of the concerned Subsidiary Companies of the Bank.

### Details of utilization of funds raised through preferential allotment or qualified institutional placement

During the year, the Bank had raised ₹ 12,500 crores through Qualified Institutional Placement. The said funds were raised to enhance the capital adequacy, in accordance with regulatory requirements, to finance the growth strategy and for general corporate purposes, in accordance with applicable law.

As required under the Listing Regulations, relating to Corporate Governance, the Audit Committee of Board of the Bank at its meeting held on 22<sup>nd</sup> January 2020 has reviewed and confirmed that the Bank has utilized the said funds for the above-mentioned purposes and there is no deviation in utilization of the said funds.

### Disclosure in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank has formulated and adopted a Policy on Prevention of Sexual Harassment at Workplace and takes all necessary measures to ensure a harassment-free workplace and has instituted an Internal Complaints Committee for redressal of complaints and to prevent sexual harassment. The Bank believes that all employees, including other individuals who are dealing with the Bank have the right to be treated with dignity.

The following is the summary of sexual harassment complaints received and disposed off by the Bank, during the financial year 2019-20:

- i. Number of complaints of sexual harassment filed during the financial year: **45**
- ii. Number of complaints disposed off during the financial year: **40**
- iii. Number of complaints pending as on the end of the financial year: **5**

Number of workshops/awareness program conducted against sexual harassment: **34**

Nature of action taken by the Employer or District Officer- As per the Bank's Staff Rules.

The said Committee is empowered to take appropriate disciplinary action against the employee(s) who is found to have violated the norms prescribed under the said Policy.

### Whistleblower Policy & Vigil Mechanism

A central tenet in the Bank's Policy on Corporate Governance is commitment to ethics, integrity, accountability and transparency. To ensure that the highest standards are maintained in these aspects on an on-going basis and to provide safeguards to various stakeholders, the Bank has formulated a Whistle-blower Policy and Vigil Mechanism which is in compliance with the relevant provisions of Section 177(9) of the Companies Act, 2013, Rules made thereunder and Regulation 4(2)(d) and Regulation 22 of the Listing Regulations.

The Policy provides an opportunity to address serious concerns arising from irregularities, malpractices and other misdemeanors committed by the Bank's personnel by approaching a Committee set-up for the purpose (known as the Whistle-blower Committee). In case, Senior Management commits an offence, the Policy enables the Bank's staff to report the concerns directly to the Chairman of the Audit Committee of the Board. The Policy is intended to encourage reporting of suspected or actual occurrence of illegal, unethical or inappropriate actions, behavior or practices by staff without fear of retribution. This Policy can be used regularly as a tool to voice concerns on irregularities, malpractices and other misdemeanors.

To ensure smooth flow and management of complaints under Whistle-blower Policy, a web-based application - 'Corporate Whistle-blower' has been set up which also provides an option for anonymous reporting thereby enabling lodging of complaints online over a secure platform without fear of revelation of identity. This would create a business culture of honesty, integrity and compliance and would encourage speaking up so that preventive action is initiated.

It is hereby affirmed that the Bank has not denied any of its personnel access to the Chairman of the Audit Committee of the Board and that the Policy contains adequate provisions for protecting Whistle blowers from unfair termination and other unfair prejudicial and employment practices.

The Audit Committee of the Board has reviewed, on a quarterly basis, a synopsis of the complaints received and the resolution thereof under the said Policy.

The details of the Whistle-blower Policy and Vigil Mechanism are available on the Bank's website at <https://axisbank.whistleblownetwork.net/>.

### Subsidiary Companies

As on 31<sup>st</sup> March 2020, the Bank does not have any unlisted Indian subsidiary company which is a material subsidiary, in terms of Regulation 16(1)(c) of the Listing Regulations. Further, the minutes of the meetings of the Board of all the unlisted subsidiary companies of the Bank are tabled at the meetings of the Board of the Bank, for its review. Also, the minutes of the meetings of the Audit Committee of the Board of unlisted subsidiary companies of the Bank are tabled at the meetings of the Audit Committee of the Bank, for its review. The Statement of significant transactions / arrangements, if any, entered into by the unlisted subsidiary companies of the Bank are also tabled at the meetings of the Board of the Bank, for its review.

The Audit Committee also reviews the investments made by the Bank into its subsidiaries, exceeding ₹ 100 crores or 10% of the asset size of the concerned subsidiary company, whichever is lower, including existing investments.

### Policy for determining 'Material' Subsidiaries

As required under Regulation 16(1)(c) of the Listing Regulations, the Bank has formulated and adopted a Policy for determining 'Material' Subsidiaries. During the year, the Policy for determining 'Material' Subsidiaries has been reviewed by the Risk Management Committee and the Board and the same has been hosted on the website of the Bank at <https://www.axisbank.com/shareholders-corner/corporate-governance>.

### Subsidiary Governance Unit

The Bank has eleven subsidiary companies and one step down subsidiary company offering a wide spectrum of financial products and services. The Bank has consistently focused on an overarching governance mechanism for all its subsidiaries, through a set of board approved oversight policies to ensure strategic and policy alignment across the Group besides ensuring group level synergy. All matters relating to subsidiary governance is overseen by the Board and concerned Committees and operationalized under the aegis of Subsidiary Management Committee.

The Bank has put in place a comprehensive subsidiary engagement framework encompassing functional alignment areas viz. risk, compliance, audit, finance, human resources, information technology and legal as well as more integrative domains viz. cyber security, brand usage and marketing, corporate communication with the end objective of delivering 'One Axis' across the Group. Progress under the subsidiary engagement framework is reviewed by the Subsidiary Governance Committee, on a monthly basis.

Performance of each subsidiary is reviewed by the Managing Director & CEO of the Bank, also a detailed presentation by one subsidiary each quarter is presented to Board of Directors of the Bank. At least one member of the Management Committee is nominated on the board of the subsidiary company. Such member is responsible to review the matters relating to strategy, business plan and performance of the subsidiary company assigned to him.

### **Policy for Related Party Transactions**

As required under Regulation 23 of the Listing Regulations, the Bank has formulated and adopted a Policy on dealing with Related Party Transactions. During the year, the Policy on Related Party Transactions has been reviewed by the ACB and the Board and the same has been hosted on the website of the Bank at <https://www.axisbank.com/shareholders-corner/corporate-governance>, in terms of the Listing Regulations, relating to Corporate Governance.

### **Directors and Officers insurance**

The Bank has in place a Directors and Officers Liability Policy (D & O Policy) for all its Directors. The Policy covers management liability, company securities, investigation cost, non-executive Directors protection, investigation, extradition, outside directorship, bodily injury and property damage defense costs, assets and liberty etc.

### **Prevention of Insider Trading**

SEBI vide its Circular no. SEBI/HO/ISD/ISD/CIR/P/2019/82 dated 19<sup>th</sup> July 2019, has provided a standardized format to report violations of the provisions of the Regulations and the Code. The Bank has been submitting the details of violations to SEBI, in terms of the said Circular.

SEBI vide notification dated on 25<sup>th</sup> July 2019 amended certain provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the Regulations) relating to transactions that can be undertaken by Designated Persons during the closure of trading window. Further, SEBI vide notification dated on 17<sup>th</sup> September 2019 has also amended the Regulations providing for voluntary disclosure of suspected/alleged act of insider trading and obligation on companies to protect such informant against victimization.

The National Stock Exchange of India Limited vide its circular NSE/CML/2019/20 dated 24<sup>th</sup> September 2019 on Disclosure of Default / Inter Creditor Agreement (ICA) has *inter alia* prescribed that all participants, who have acquired confidential information in the course of developments pertaining to defaulting borrowers and/or ICA, shall maintain the confidentiality of such information, until the same is publicly disclosed to Stock Exchanges.

The Bank has accordingly, reviewed and amended the Share Dealing Code and the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) of the Bank, in line with the said amendments.

The Bank has put in place adequate and effective systems, internal controls and processes (Institutional Mechanism) relating to preparation, finalization, communication or procurement of UPSI relating to the Bank, in compliance with the Share Dealing Code and the Regulations, to prevent insider trading.

### **Compliance Certificate**

Pursuant to Regulation 17(3) of Listing Regulations, a quarterly confirmation on laws applicable to the Bank is obtained from the relevant Heads of Departments by the Compliance Department. A report in this regard, duly signed by the Chief Compliance Officer of the Bank is placed before the Audit Committee, on a quarterly basis, confirming compliances with applicable laws.

### **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.

### **Directors E-KYC**

The Ministry of Corporate Affairs (MCA) has vide amendment to the Companies (Appointment and Qualification of Directors) Rules, 2014, mandated registration of KYC of all the Directors through e-form DIR-3 KYC. All Directors of the Bank have complied with the said requirement.

## **(4) Disclosures**

There were no related party transactions which were of a materially significant nature undertaken by the Bank with its promoters, directors or management, their subsidiaries or relatives that may have a potential conflict with the interests of the Bank.

The Members of the Senior Management of the Bank have affirmed that they have not entered into any material, financial or commercial transaction wherein they have personal interest and which may potentially conflict with the interest of the Bank at large.

There are no instances of non-compliance by the Bank or penalties and strictures imposed by the Stock Exchange(s) or SEBI or other statutory authorities on any matter related to capital markets during the last three years.

The Secretarial Auditor has certified that none of the Directors of the Bank have been debarred or disqualified from being appointed or continuing as Directors of the Bank by the SEBI/Ministry of Corporate Affairs or any other Statutory Authority. The said certificate is annexed to this Report.

#### **(5) Compliance with Governance Norms**

The Bank has complied with all the mandatory requirements, as prescribed under the Listing Regulations relating to Corporate Governance.

The Bank has also adopted the non-mandatory requirements relating to maintenance of Chairman's Office at the Bank's expense and reimbursement of expenses incurred by the Non-Executive Chairman in performance of his duties, moving towards a regime of financial statements with unmodified audit opinion, separation of the office of the Chairman and Managing Director and the Chief Audit Executive directly reporting to the Audit Committee of the Board.

The Bank has obtained a certificate from M/s Haribhakti & Co. LLP, Chartered Accountants, Mumbai, (Registration No.103523W/W100048) confirming that the Bank has complied with all the mandatory requirements as stipulated under the Listing Regulations relating to Corporate Governance. The said certificate is annexed to the Directors' Report.

#### **(6) Code of Conduct**

The Board has formulated and adopted the Code of Conduct and Conflict of Interest Norms for the Board of Directors and the Code of Conduct and Ethics for the Employees and Senior Management of the Bank.

The Code of Conduct and Conflict of Interest Norms for the Board of Directors (the Board Code) provide for Do's and Don'ts to be followed by the Directors of the Bank and also contains norms with respect to conflict of interest, skill development, health, confidentiality, insider trading and sexual harassment etc.

The said Code provides that prior approval of the Bank would be required before a Director accepts any role / directorship in any entity. Further, Director of the Bank is prohibited from engaging in any activity that interferes with his / her fiduciary responsibilities towards the Bank, or is in conflict with or prejudicial to the interest of the Bank like simultaneous engagement or employment or directorship with client companies or its subsidiaries, or undertaking any activity which would enhance or support a competitor's position.

The Code of Conduct and Ethics for the Employees and Senior Management of the Bank (the Code of Ethics) is a statement of the Bank's commitment to integrity and the highest standards of ethical practices. It defines the standards of conduct that is expected of all employees in order that the right decisions are taken in performing their roles and responsibilities across various functions in the Bank.

The Code of Ethics is intended to be the charter for day-to-day work to enable employees to make the right decisions and, therefore, serves to (1) underline the fundamental commitment to comply with the regulatory guidelines and laws of the land (2) set forth basic parameters of ethical and acceptable social behavior (3) establish a system for detection and reporting of known or suspected ethical or violations of regulations.

During the year, the amendments to the said Codes have been reviewed and approved by the Board of Directors of the Bank. The said Codes have been hosted on the website of the Bank viz. <https://www.axisbank.com/shareholders-corner/corporate-governance>, in compliance with the Listing Regulations relating to Corporate Governance.

The certificate issued by the Managing Director & CEO of the Bank confirming that all the Directors and Members of the Senior Management of the Bank have complied with the said Codes, is annexed to this Report.

## General Shareholder Information

[Pursuant to Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)]

### 26<sup>th</sup> Annual General Meeting (AGM)

In light of the uncertainty surrounding the lockdown, which has been imposed across India due to the onset of the COVID-19 Pandemic, the Board of Directors (the Board) at its meeting held on 29<sup>th</sup> April 2020, authorized the Managing Director & CEO of the Bank, to decide the day, date, time and venue of the AGM under the relevant provisions of the Companies Act, 2013 and the relevant Rules made thereunder.

Accordingly, please note that the prescribed details with respect to the AGM has not been provided and the same will be incorporated in the Notice convening the AGM and disclosed to the Stock Exchanges, published in the newspapers and uploaded on the websites of the Bank and of KFin Technologies Private Limited (KFIN), the Registrar and Share Transfer Agent of the Bank, in accordance with the extant norms.

### Financial Year

The Bank follows the financial year starting from 1<sup>st</sup> April to 31<sup>st</sup> March, every year.

### Compliance Calendar

The schedule of the meetings of the Board to be held to *inter alia* review and approve the unaudited / audited financial results of the Bank, in respect of the financial year 2020-21, in terms of Regulation 33(3)(a), (d) and (f) of the Listing Regulations, are as under:

Purpose	Venue	Tentative Date
Unaudited Financial Results (standalone and consolidated) of the Bank, for the quarter ending 30 <sup>th</sup> June 2020	Corporate Office	Third week of July 2020
Unaudited Financial Results (standalone and consolidated) of the Bank, for the quarter / half year ending 30 <sup>th</sup> September 2020	Corporate Office	Fourth week of October 2020
Unaudited Financial Results (standalone and consolidated) of the Bank, for the quarter / nine months ending 31 <sup>st</sup> December 2020	Corporate Office	Fourth week of January 2021
Audited Annual Financial Results (standalone and consolidated) of the Bank, for the financial year ending 31 <sup>st</sup> March 2021	Corporate Office	Last week of April 2021

After the said financial results of the Bank are reviewed and approved by the Board, the same shall be disclosed to the Stock Exchange(s), within the time limit as stipulated under Regulation 30 read with sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations.

### Dividend

The Reserve Bank of India, vide its circular dated 17<sup>th</sup> April 2020, has advised that banks shall not make any further dividend pay-outs from profits pertaining to the financial year ended 31<sup>st</sup> March 2020, until further instructions, with a view that banks must conserve capital in an environment of heightened uncertainty caused by COVID-19 Pandemic. Accordingly, the Board has not proposed any dividend for the financial year ended 31<sup>st</sup> March 2020.

### Unclaimed Dividends

Pursuant to the provisions of Section 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the IEPF Authority Rules), the amount of unpaid dividend(s) that are lying unclaimed for a period of 7 consecutive financial years from the date of its transfer to the unpaid dividend account, is liable to be transferred to the Investor Education & Protection Fund Authority (IEPF Authority). Accordingly, unclaimed dividend amounting to ₹ 65,71,408/- in respect of the financial year 2011-12 was transferred by the Bank to the IEPF Authority, on 20<sup>th</sup> August 2019, in compliance with the IEPF Authority Rules.

Further, please note that the unclaimed dividend in respect of the financial year 2012-13 must be claimed by the concerned shareholders, on or before 24<sup>th</sup> August 2020, failing which it will be transferred to the IEPF Authority, in accordance with the IEPF Authority Rules.

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The details of the unclaimed dividends as on 31<sup>st</sup> March 2020 and the last date for claiming the same, prior to its transfer to the IEPF Authority, are as under:

Financial year	No. of Shareholders	Unclaimed dividend as on 31 <sup>st</sup> March 2020 (In ₹)	% to total dividend declared	Total Amount of Dividend Declared (In ₹)	Date of declaration	Last date for claiming dividend prior to its transfer to the IEPF
2012-13	3,769	64,45,818	0.08	8,44,07,35,230	19-07-2013	24-08-2020
2013-14	3,235	73,39,300	0.08	9,42,60,65,680	27-06-2014	02-08-2021
2014-15	6,609	93,88,761	0.09	10,92,77,37,078	24-07-2015	29-08-2022
2015-16	9,544	1,19,63,415	0.10	11,93,76,13,965	22-07-2016	28-08-2023
2016-17	10,226	1,37,62,955	0.11	11,98,58,43,545	26-07-2017	31-08-2024
2017-18			No Dividend Declared			
2018-19	7,721	21,05,024	0.08	261,95,95,388	20-07-2019	25-08-2026
<b>Total</b>	<b>41,104</b>	<b>5,10,05,273</b>	<b>0.09</b>	<b>55,33,75,90,868</b>		

### Transfer of Underlying Equity Shares in respect of the Unclaimed Dividends to the IEPF Authority Account

Pursuant to the notification of the relevant provisions of Sections 124 and 125 of the Companies Act, 2013 and the relevant provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the unclaimed dividend for the financial year 2011-12 and the underlying equity shares of the Bank, in respect of the said financial year (where the dividends have not been claimed by the concerned shareholders for seven consecutive financial years from the date of its transfer to the unpaid dividend account), were liable to be transferred by the Bank to the IEPF Authority, in accordance with the IEPF Authority Rules.

Accordingly, pursuant to the notification of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 (IEPF Second Amendment Rules), the Bank transferred 8,10,430 underlying equity shares of ₹ 2/- each of the Bank, in respect of the said unclaimed dividend, as on 31<sup>st</sup> March 2020, to the IEPF Authority, in compliance with the IEPF Second Amendment Rules.

The unclaimed dividend(s) for the financial year 2011-12 and the underlying equity shares, as aforesaid, can be claimed by the concerned shareholder(s) of the Bank from the IEPF Authority, subject to compliance with the procedures as prescribed under the said Rules and they may write to KFIN at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), for any assistance, in this regard.

### Unclaimed Dividends for the financial years from 2012-13 up to 2018-19

The shareholder(s) of the Bank are requested to verify details of their unclaimed dividends in respect of the financial years from 2012-13 up to 2018-19 and lodge their claims with KFIN.

In case the unclaimed dividend(s) for the financial year 2012-13 is not claimed on or before 24<sup>th</sup> August 2020, the said unclaimed dividend(s) along with the underlying equity share(s) of the Bank in respect of the said financial year [where the dividends have not been claimed by the concerned shareholders for seven consecutive financial years] will be liable to be transferred by the Bank to the account of the IEPF Authority, in accordance with the IEPF Second Amendment Rules. Concerned shareholder(s) of the Bank may write to KFIN at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), for any assistance, in this regard.

### Unclaimed Equity Shares

Schedule VI of the Listing Regulations, inter alia, requires every listed company to comply with certain procedures in respect of the equity shares issued by it in physical form pursuant to a public issue or any other issue and which have remained unclaimed for a period of seven consecutive financial years, for any reason whatsoever. Details of the said unclaimed equity shares of the Bank, are as under:

Particulars	FY 2019-20	FY 2018-19
Aggregate number of shareholders at the beginning of the year	-	1
Total outstanding shares in Unclaimed Suspense Account at the beginning of the year	-	500
Number of shareholders who approached the issuer for transfer of shares from Unclaimed Suspense Account during the year	-	-
Number of shares transferred to the concerned shareholder from Unclaimed Suspense Account during the year	-	-
Aggregate number of shareholders at the end of the year	-	0
<b>Total outstanding shares in Unclaimed Suspense Account, as on 31<sup>st</sup> March 2020.</b>	<b>-</b>	<b>0*</b>

\*Pursuant to the notification on the IEPF Second Amendment Rules, the Bank has transferred 8,10,430 unclaimed equity shares of ₹ 2/- each of the Bank (including balance 500 equity shares of ₹ 2/- each of the Bank, which were lying in the Unclaimed Suspense Account) to the IEPF Authority, in accordance with the IEPF Second Amendment Rules.

All corporate benefits accruing on the said equity shares viz. bonus shares, split, etc., if any, are also required to be credited to the IEPF Authority. Further, voting rights in respect of the said equity shares shall remain frozen till such time, the concerned shareholder(s) of the Bank, claims the same.

**Guidelines to claim unclaimed Dividends/Shares:**

Concerned Shareholders of the Bank can submit their application to claim their unclaimed dividend(s)/share(s), through the website of the IEPF Authority (<http://www.iepf.gov.in>), by following the instructions given below:

1. Download the Form IEPF - 5 from the website of IEPF (<http://www.iepf.gov.in>). Read the instructions provided on the instructions kit along with the e-form carefully before filling the form.
2. After filling the form save it on the computer and submit the duly filled form by following the instructions given in the upload link on the IEPF website.
3. On successful uploading, the acknowledgment will be generated indicating the SRN. This SRN is to be used for future tracking of the form.
4. After uploading the form, submit the following documents to Nodal Officer (IEPF) of the Bank in an envelope marked "Claim for refund from the IEPF Authority":
  - a) Self-attested copy of e-Form.
  - b) Indemnity Bond in original.
  - c) Copy of acknowledgment.
  - d) Other documents as mentioned in the Form IEPF-5.
5. The general information of the Bank, required for filing the aforesaid Form, are as under:
  - a) Corporate Identification Number (CIN) of Company: L65110GJ1993PLC020769.
  - b) Name of the Company: Axis Bank Limited.
  - c) Address of Registered Office of the Company: 'Trishul', 3<sup>rd</sup> Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad, Gujarat – 380 006.

KFIN, has been entrusted with the task of verifying the claims received from the Shareholders of the Bank, in respect the unclaimed dividend(s)/share(s) of the Bank, which have been transferred to the IEPF Authority, in accordance with the IEPF Authority Rules.

KFIN, is also responsible to liaise with the claimants and ensure that the prescribed documents in original are received and verified. After verifying the authenticity of the said documents and their claims, KFIN, will issue an entitlement letter to the IEPF Authority, in favour of the claimant.

On receipt of the entitlement letter, the Bank will submit an online verification report to the IEPF Authority, along with scanned copies of all the original documents submitted by the claimant. Upon receipt and verification of the said online verification report, the IEPF Authority will proceed to process the claim.

The Bank has appointed Nodal Officer/Deputy Nodal Officer(s) to verify the claim(s) and co-ordinate with the IEPF Authority. The details of the same have been hosted on the website of the Bank viz. [https:// www. axisbank.com / shareholders-corner/ investor-contacts](https://www.axisbank.com/shareholders-corner/investor-contacts).

**Equity Shares**

The equity shares of the Bank are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The International Security Identification Number (ISIN) in respect of the said equity shares is INE238A01034. The National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) are the Depositories for the

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equity shares of the Bank. The equity shares of the Bank have not been suspended from trading on the said Stock Exchanges or by any Regulatory / Statutory Authority.

Stock Exchange Codes	Reuters Codes	Bloomberg Codes
NSE – AXISBANK National Stock Exchange of India Limited Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (E) Mumbai - 400 051. Website: www.nseindia.com	NSE - AXBK.NS	NSE - AXSB IS
BSE – 532215 BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001. Website: www.bseindia.com	BSE- AXISBANK.BO	BSE - AXSB IB

### Global Depository Receipts (GDR)

The Bank's GDRs are listed and traded on London Stock Exchange. The ISIN for the said GDRs is US05462W1099.

Stock Exchange	Code
London Stock Exchange 10 Paternoster Square, London EC4M 7LS, UK Website: www.londonstockexchange.com	AXB

### Bonds issued under Medium Term Note Program (MTN Program)

The Bonds issued and allotted by the Bank's MTN program are listed and traded on Singapore Stock Exchange.

Stock Exchange	Code
Singapore Stock Exchange Singapore Exchange Securities Trading Limited (Attention: SGXNet Services, Operations) 11 North Buona Vista Drive #06-07 The Metropolis Tower 2 Singapore 138589 Website: www.sgx.com	-

### Credits Ratings

The details of the credit ratings obtained by the Bank, in respect of all debt instruments issued by it and outstanding, as on 31<sup>st</sup> March 2020 along with outlook, are as under.

#### Credit ratings for the Debt Instruments outstanding, as on 31<sup>st</sup> March 2020

Sr. No.	Credit Rating Agency	Credit Rating	Outlook	Sr. No.	Credit Rating Agency	Credit Rating	Outlook
1.	<b>ICRA Ltd.</b>			2.	<b>CARE Ratings</b>		
	Certificate of Deposits	ICRA A1+			Tier II Bonds	CARE AAA	Stable
	Tier II Bonds	ICRA AAA	Stable		Infrastructure bond	CARE AAA	Stable
	Infrastructure bond	ICRA AAA	Stable		Tier II (Under Basel III)	CARE AAA	Stable
	Tier II (Under Basel III)	ICRA AAA	Stable				
	Tier I (Basel III Compliant)	ICRA AA+	Stable				
	Fixed Deposit	ICRA MAAA					
3.	<b>CRISIL</b>			4.	<b>India Rating</b>		
	Certificate of Deposits	CRISIL A1+			Tier II Bonds	IND AAA	Stable
	Infrastructure bond	CRISIL AAA	Stable		Tier II (Under Basel III)	IND AAA	Stable
	Tier II (Under Basel III)	CRISIL AAA	Stable		Tier I (Under Basel III)	IND AA+	Stable
	Tier I (Under Basel III)	CRISIL AA+	Stable				
5.	<b>MTN (Senior Unsecured) Rating</b>						
	Fitch*	BB+	Stable				
	Moody's	Baa3	Stable				
	S&P	BBB-	Stable				

\* During FY 2019-20, Fitch Ratings have revised its outlook rating to BB+ from BBB-.



### Listing fees

The annual listing fees for the financial year 2019-20 have been paid by the Bank to the Stock Exchanges.

### Debt Securities

The debt instruments issued and allotted by the Bank in the form of Additional Tier I, Bond Tier II Debt Capital Instrument and Infrastructure Bonds, on a private placement basis are listed on NSE and BSE. The Bonds issued and allotted by the Bank under the MTN program are listed on Singapore Stock Exchange and the Green Bonds issued by the Bank are listed on London Stock Exchange.

### Green Bonds

The Bank had issued its inaugural Green Bond of USD 500 million (ISIN XS1410341389) in June 2016. The Bond is the first certified Green Bond by an Asian bank – Axis Bank's Green Bond was certified under Climate Bonds Initiative standards version 2.1. It was also the first Bond issued by an Indian company to be listed on London Stock Exchange.

The Bonds were issued under the 'Green Bond Framework' established by the Bank. The framework defined the use of proceeds, criteria for selection and evaluation of projects, monitoring utilization of proceeds and reporting guidelines. The framework was reviewed by KPMG, and provided an 'Independent Assurance Report' as required under the Climate Bonds Standards.

The proceeds of issue of Green Bonds, were allocated to renewable energy projects, low carbon transport projects and energy efficient buildings. In order to monitor the proceeds, a Green Bond Committee was constituted by the Bank. Utilization of said proceeds were tracked on a monthly basis and shortfall, if any, was parked in government securities and other money market instruments, as per extant norms.

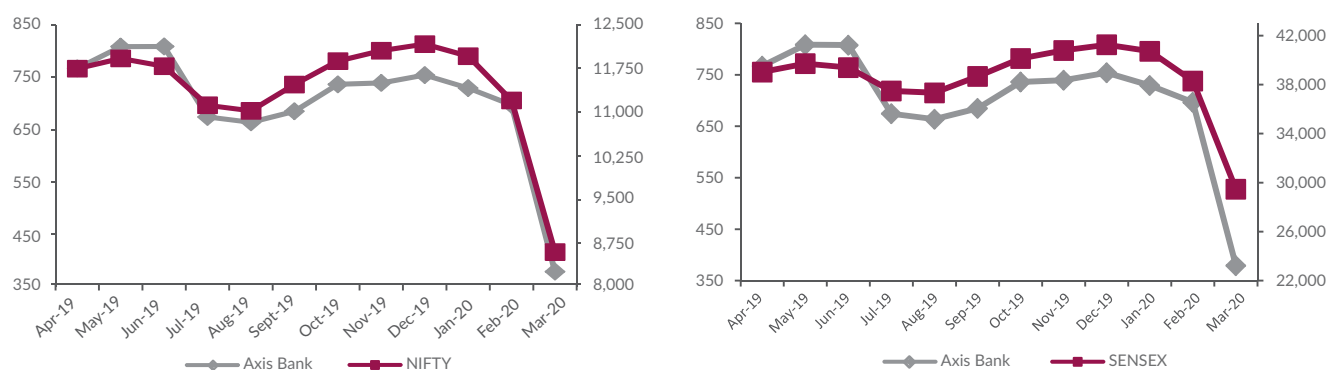
### Market Price Data

#### a) Equity Shares

The price of the Bank's Share - High, Low as traded during the financial year 2019-20, on NSE and BSE, are as under:

Month	NSE			BSE		
	High (₹)	Low (₹)	No. of Shares traded	High (₹)	Low (₹)	No. of Shares traded
April, 2019	783.00	738.55	13,69,45,660	783.55	737.60	73,32,259
May, 2019	822.10	716.10	17,20,97,329	821.40	716.40	96,41,183
June, 2019	827.75	756.55	16,95,86,920	826.55	757.00	63,96,301
July, 2019	819.00	657.80	21,98,31,416	819.05	657.65	72,34,390
August, 2019	697.55	640.10	20,98,49,816	696.70	640.50	67,43,558
September, 2019	733.25	622.65	26,27,87,457	736.00	622.60	81,44,902
October, 2019	750.00	646.70	25,95,00,720	750.05	647.25	79,66,319
November, 2019	763.75	707.25	17,51,33,105	763.95	706.95	80,79,592
December, 2019	765.85	709.05	17,59,60,513	765.90	709.30	55,01,451
January, 2020	759.95	706.60	19,66,52,036	760.00	707.00	46,76,966
February, 2020	760.70	691.00	15,04,02,508	760.60	691.30	33,93,428
March, 2020	713.25	286.00	65,68,00,997	712.95	285	2,14,27,933

### Graph in Comparison to Nifty & Sensex



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#### b) GDR

The high and low closing prices of the Bank's GDRs as traded during the financial year 2019-20, on LSE, are as under:

Month	High (In USD)	Low (In USD)	No. of GDRs traded
April, 2019	56.29	52.50	5,79,160
May, 2019	58.78	50.80	12,22,170
June, 2019	60.20	54.50	4,92,100
July, 2019	59.05	48.30	3,51,270
August, 2019	48.85	44.55	7,05,110
September, 2019	51.90	43.90	10,89,180
October, 2019	53.00	46.30	7,41,500
November, 2019	53.20	49.15	3,54,630
December, 2019	53.80	49.75	5,32,240
January, 2020	53.40	49.80	4,27,350
February, 2020	53.20	46.95	6,25,200
March, 2020	48.64	19.24	23,89,850

#### Dematerialization of Shares and Liquidity

The equity shares of the Bank are to be compulsorily traded on the floor of the stock exchanges in electronic form by all investors. The Bank has entered into agreements with NSDL and CDSL, so as to provide the Members an opportunity to hold and trade in equity shares of the Bank in electronic form.

As on 31<sup>st</sup> March 2020, 99.83 % of the total issued and paid up equity share capital of the Bank was held by investors in electronic form and 0.17 % of the total issued and paid up equity share capital was held in physical form.

The number of equity shares of the Bank held in physical form which were transferred / processed, during the last three financial years, are as under:

Particulars	2019-20	2018-19	2017-18
Number of transfer deeds	30	85	141
Number of equity shares transferred	30,000	61,500	34,000

As required under Regulation 40(9) of the Listing Regulations, M/s Ahalada Rao. V & Associates, Practicing Company Secretaries, (C. P. No. 13407), Hyderabad have examined the records relating to share transfer deeds, memorandum of transfers, registers, files and other related documents on a half-yearly basis and has issued a certificate confirming compliance with the provisions of the said Regulations. The certificate has been submitted to the BSE and NSE where the Bank's equity shares are listed, in terms of the Listing Regulations.

#### Distribution of Shareholding

The distribution of shareholding of the Bank as on 31<sup>st</sup> March 2020, is as under:

No. of shares held	Electronic Form		Physical Form		Total		
	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares	% to capital
1-5,000	5,64,301	6,55,22,998	4,953	37,47,171	5,69,254	6,92,70,169	2.45
5,001-10,000	3,481	1,25,15,531	188	6,64,950	3,669	1,31,80,481	0.47
10,001-20,000	1,565	1,11,78,259	15	1,12,600	1,580	1,12,90,859	0.40
20,001-30,000	534	66,01,848	4	52,500	538	66,54,348	0.24
30,001-40,000	288	50,09,562	0	0	288	50,09,562	0.18
40,001-50,000	188	42,28,797	4	95,400	192	43,24,197	0.15
50,001-1,00,000	447	1,59,39,718	4	1,25,000	451	1,60,64,718	0.57
1,00,001 and above	1,454	2,69,58,83,600	0	0	1,454	2,69,58,83,600	95.54
<b>Total</b>	<b>5,72,258</b>	<b>2,81,68,80,313</b>	<b>5,168</b>	<b>47,97,621</b>	<b>5,77,426</b>	<b>2,82,16,77,934</b>	<b>100.00</b>

## Shareholding pattern

Category wise shareholding pattern of the Bank as on 31<sup>st</sup> March 2020, is as under:

Sr. No.	Category / Shareholder	No. of Shares held	% of total issued & paid-up Capital
<b>Promoters</b>			
1	Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)	12,96,52,427	4.59
2	Life Insurance Corporation of India	25,43,77,246	9.02
3	General Insurance Corporation of India	3,17,15,229	1.12
4	The New India Assurance Company Limited	2,05,91,585	0.73
5	National Insurance Company Limited	5,49,681	0.02
6	The Oriental Insurance Company Limited	49,77,520	0.18
7	United India Insurance Company Limited	9,13,248	0.03
<b>Foreign Investors</b>			
8	Overseas Investors (including FIIs/OCBs/NRIs)	1,44,95,54,331	51.37
9	Foreign Direct Investment (GDR)	5,48,68,145	1.94
<b>Domestic Financial Institutions</b>			
10	Financial Institutions / Mutual Funds / Banks / NBFC / INC /AIF	64,31,64,609	22.79
11	Others	23,13,13,913	8.21
<b>Total</b>		<b>2,82,16,77,934</b>	<b>100.00</b>

Top 20 Shareholders of the Bank as on 31<sup>st</sup> March 2020, is as under:

Sr. No.	Name of the Shareholder	No. of Shares held	% to total issued & paid up capital
1	Life Insurance Corporation of India	25,43,77,246	9.02
2	Administrator of the Specified Undertaking of the Unit Trust of India (SUUTI)	12,96,52,427	4.59
3	SBI Dual Advantage Fund Series XXV	11,91,99,203	4.22
4	ICICI Prudential Regular Savings Fund	6,58,33,840	2.33
5	HDFC Trustee Co Ltd A/C HDFC Housing Opportunities Fund-1140D November 2017 (1)	5,89,94,772	2.09
6	Europacific Growth Fund	5,79,71,711	2.05
7	Dodge and Cox International Stock Fund	5,76,19,325	2.04
8	BC Asia Investments VII Limited - FDI	5,56,00,000	1.97
9	The Bank of New York Mellon, Dr	5,48,68,145	1.94
10	Reliance Capital Trustee Co Ltd-A/C Nippon India ETF Nifty Bees	5,17,16,210	1.83
11	Kotak Equity Savings Fund	4,91,92,348	1.74
12	BC Asia Investments III Limited - FDI	4,00,00,000	1.42
13	Franklin India Equity Advantage Fund	3,85,19,813	1.37
14	Government of Singapore - E	3,79,81,934	1.35
15	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Banking ETF	3,76,83,382	1.34
16	NPS Trust- A/C Birla Sun Life Pension Fund Scheme E- Tier I	3,71,94,086	1.32
17	Vanguard Total International Stock Index Fund	3,45,13,015	1.22
18	Integral Investments South Asia IV - FDI	3,19,00,000	1.13
19	General Insurance Corporation of India	3,17,15,229	1.12
20	UTI Nifty Index Fund	3,15,55,046	1.12

## Outstanding GDR

The Bank has in the course of international offerings to overseas investors, issued and allotted securities linked to ordinary equity shares of the Bank in the form of Global Depository Receipts (GDRs) in March 2005, April 2005, July 2007 and September 2009. The said GDRs are listed for trading on London Stock Exchange. The underlying equity shares represent outstanding GDRs, which have been included in the equity share capital of the Bank. The number of equity shares representing outstanding GDRs, as on 31<sup>st</sup> March 2020 was 5,48,68,145.

The Bank has not issued any ADRs during the financial year 2019-20.

## Convertible Warrants

During the Financial Year 2017-18, the Bank had issued 4,53,57,385 convertible warrants convertible into 4,53,57,385 equity shares at a price of ₹ 565.00 per warrant on a preferential basis. The convertible warrants were allotted pursuant to receipt of 25% upfront payment consideration from the allottees i.e. ₹ 141.25 per convertible warrant.

## Statutory Reports

### Corporate Governance

The allottees of the convertible warrants could exercise the option to convert one convertible warrant into one equity share of ₹ 2/- each of the Bank within a period of 18 months from the date of its allotment, i.e. on or before 17<sup>th</sup> June 2019, by paying balance 75% of the consideration i.e. ₹ 423.75 per convertible warrant. In the event, allottees did not exercise their right to convert the said warrants before the said due date, the said convertible warrants (to the extent not lodged for conversion) shall lapse and the upfront consideration paid by the warrant holders would have been forfeited by the Bank.

During the Financial Year 2019-20, the said allottees exercised their right to convert the said warrants, by paying balance 75% of the consideration. Accordingly, the Bank has on 29<sup>th</sup> May 2019, allotted 4,53,57,385 equity shares upon conversion of 4,53,57,385 convertible warrants, which were issued on a preferential basis, in terms of the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the applicable provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, the relevant provisions of the Companies Act, 2013 and the relevant Rules made thereunder.

As on 31<sup>st</sup> March 2020, no warrants were pending for conversion.

### Investor Services

Registrar & Share Transfer Agent (RTA)

KFIN has been entrusted with the task of administering all aspects relating to investor services for and on behalf of the Bank. KFIN has appropriate systems to ensure that requisite service is provided to the investors of the Bank in accordance with applicable corporate and securities laws and within the adopted service standards. Listed below are the service standards adopted by KFIN in respect of the various services rendered by them to the investors of the Bank.

Nature of service being rendered to the Investors of the Bank	Adopted Service Standards
Registration of Nomination	5 days
Issue of duplicate dividend warrant(s)	5 days
Revalidation of dividend warrant(s)	5 days
Revalidation of demand draft(s)	5 days
Split/ consolidation of share certificate(s)	7 days
Dematerialization of share(s)	7 days
Transfer of share(s)	7 days
Transmission of share(s)	7 days
Consolidation of folio(s)	7 days
Change/Deletion/Transposition of Name(s)	7 days
Release of unclaimed share(s)	7 days
Re-materialization of share(s)	10 days
Issue of duplicate share certificate(s)	10 days

Investors are requested to write to the Registered Office of the Bank or to KFIN for availing any of the said services or may address their correspondence/ complaints to [shareholders@axisbank.com](mailto:shareholders@axisbank.com) or [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com), in terms of Regulation 34(3) read with Schedule V of the Listing Regulations.

The Company Secretary Department of the Bank regularly monitors and reviews the status of the investor correspondences / complaints received by the Bank/ KFIN and its redressal within the said service standards.

### Share Transfer System

In terms of Regulation 40(2) of the Listing Regulations, the Share Committee of the Bank comprising the Company Secretary and executives of Company Secretary Department of the Bank has been formed to attend to matters relating to transfer of equity shares of the Bank and matters related thereto. The resolutions passed by the Share Committee, in this regard, are tabled at the ensuing meeting of the Board of Directors of the Bank, for its noting.

### Investor Grievances

During the year under review, the Bank received 1,878 correspondences from its investors, capital market intermediaries and Statutory / Regulatory Authorities, inter alia, in respect of the services relating to the securities issued by the Bank by post, web-based query redressal system of KFIN and through emails addressed to designated email address viz. [shareholders@axisbank.com](mailto:shareholders@axisbank.com) and [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

The details of the investor complaints received and redressed by the Bank, during the last 3 financial years, are as under:

Received from	No. of complaints received			No. of complaints unresolved as on 31 <sup>st</sup> March 2020
	2019-20	2018-19	2017-18	
SEBI SCORES	17	10	7	5
Stock Exchanges	7	-	8	-
NSDL / CDSL	-	-	-	-
MCA	-	-	-	-
RBI	1	-	-	-
Total No. of complaints received	25	10	15	-
Total No. of complaints redressed	20	10	15	-

There was no investor complaint that was unresolved as on 1<sup>st</sup> April 2019. During the financial year under review, the Bank received 25 investor complaints out of which 20 investor complaints were resolved, as on 31<sup>st</sup> March 2020. Consequently, 5 investor complaints were pending for resolution as on 31<sup>st</sup> March 2020, all of which have been resolved by the Bank, as on date.

The statement highlighting the status of the investor correspondence(s)/complaint(s) received and redressed by the Bank during the financial year 2019-20 were tabled at the meetings of the Stakeholders Relationship Committee/ Board of Directors of the Bank, for their review and noting.

#### **Web-based Query Redressal System**

Members may avail the facility extended by KFIN for redressal of queries, by visiting <https://kprism.kfintech.com/investor/query/Correspondence.aspx> for query registration through free identity registration process. Investors can submit their queries on the above website, which would generate a registration number. For accessing the status / response to the query submitted, the grievance registration number can be used at the option 'Click here to track your grievance' after 24 hours. Investors can continue to raise queries relating to their grievance, till they get a satisfactory reply.

#### **Nomination Facility**

Section 72 of the Companies Act, 2013, provides that every holder of securities of a company may, at any time nominate, in the prescribed manner, any person to whom the securities shall vest in the event of death. Where the securities of a company are held by more than one person jointly, the joint holders may together nominate any person to whom all the rights in the securities shall vest in the event of death of all the joint holders.

In view of the above, Shareholders are encouraged to avail of the Nomination Facility. The relevant Nomination Form can be downloaded from the website of the Bank or the Shareholders may write to the Bank at its Registered Office or to KFIN for the same.

Please note that the nomination shall be automatically rescinded on transfer / transmission / dematerialization of the securities.

#### **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The details with respect to commodity price risk, in terms of SEBI circular no SEBI/ HO / CFD / CMD1/CIR/P/2018/0000000141 dated 15<sup>th</sup> November 2018, are as follows:

- 1) Risk management policy with respect to commodities including through hedging: As the Bank is not exposed to XAU (Gold) and XAG (Silver) price risk, the Bank does not have a Risk Management Policy for commodity price risk.
- 2) Exposure of the Bank to commodity and commodity risks faced by the Bank during the year is given below:
  - a. Total exposure of the listed entity to commodities: Nil as on 31<sup>st</sup> March 2020.
  - b. Exposure of the listed entity to various commodities: Not Applicable.
  - c. Commodity risks faced by the listed entity during the year and how they have been managed: The Bank did not run any trading positions in XAU (Gold) or XAG (Silver) and does not have exposure to any other commodity.

### Payment of Dividend through electronic mode:

#### ECS Facility

Payment of Dividends through Electronic mode:

- In terms of Regulation 12 and Schedule I of Listing Regulations, every listed entity is required to mandatorily make all payments to Investors, including Dividend, by using any Reserve Bank of India (RBI) approved electronic mode of payments viz., Direct Credit, Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Electronic Clearing Service (ECS), National Automated Clearing House (NACH) etc. The Bank would be entitled to use the bank account details of the shareholders available with the Depository Participant to facilitate payment through electronic mode.
- In case of shares held in electronic form:
  - ✓ All shareholders of the Bank holding equity shares in electronic form are requested to provide details relating to, their Bank Account Number, including 9 digit MICR Code and 11 digit IFSC Code, E-mail ID and mobile No(s) to their Depository Participant(s).
- In case of shares held in physical form:
  - ✓ All shareholders of the Bank are requested to provide details relating to their Bank Account Number, indicating 9 digit MICR Code and 11 digit IFSC Code, E-mail ID and mobile No(s) to KFIN at Selenium Tower – B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana, by quoting their folio number and attaching a photocopy of the cheque leaf of the said Bank Account and a self-attested copy of their PAN card.
- In case the dividend paid through electronic mode is rejected by the corresponding bank, for any reason whatsoever, the Bank will issue a dividend warrant and print the Bank Account details available with KFIN on the said dividend warrant to avoid fraudulent encashment.

### Green initiatives

#### Dispatch of documents in Electronic Form

In terms of Rule 18 of the Companies (Management and Administration) Rules, 2014, a company may give notice through electronic mode including e-mail to those Members who have provided their e-mail address either to their Depository Participant (DP) or to the Company.

Further, in terms of Regulation 36 of the Listing Regulations, the listed entity is required to send soft copies of its annual report to all those shareholder(s) who have registered their email address(es) for this purpose.

Accordingly, the Notice convening the AGM, the annual report of the Bank for the financial year 2019-20 and the annexures stated therein will be sent by e-mail to those Members who have registered their e-mail address with their DP or with KFIN.

Members who have not yet registered their e-mail address are requested to do so, at the earliest.

In case of shares held in electronic form and in case of any change in the e-mail address, Members are requested to update the same with their DP and in case of shares held in physical form, Members are requested to update the same with KFIN.

In case a Member, whose email address has changed, fails to update the new e-mail address, the said documents will be sent to the existing e-mail address and the said documents will be deemed to have been delivered, in compliance with the relevant provisions of the Companies Act, 2013, the relevant Rules made thereunder and the Listing Regulations.

Please note that the said documents will also be uploaded on the Bank's website viz. [www.axisbank.com](http://www.axisbank.com) and copies thereof will be made available for inspection at the Registered Office of the Bank during business hours on all working days except Saturdays, Sundays, Bank Holidays and Public Holidays up to the date of the ensuing AGM.

The Bank has also availed the services of National Securities Depository Limited (NSDL) for updating the email addresses of those Shareholders of the Bank, who had not registered their email addresses with their Depository Participant. As part of the said Green Initiative, Shareholders of the Bank are requested to take benefit of the said service and update their email address with their Depository Participant, at the earliest.

We seek your support to the said Green Initiative, as it is designed to protect our fragile environment.

## Means of Communication

After the unaudited/audited financial results of the Bank are reviewed and approved by the Board of Directors of the Bank, the same is disclosed to the Stock Exchanges, in accordance with Regulation 30 of the Listing Regulations read with sub-para 4 of Para A of Part A of Schedule III of the Listing Regulations.

Thereafter, the said financial results of the Bank and the presentations made by the Senior Management to the Analysts / Investors are uploaded on the Bank's website, <https://www.axisbank.com/shareholders-corner/financial-results-and-other-information/quarterly-results>, in accordance with the Listing Regulations.

The said financial results of the Bank are generally published in the Economic Times, Business Standard, Mint and Gujarat Samachar or Divya Bhaskar after declaration of the financial results of the Bank to the Stock Exchanges, in accordance with the Listing Regulations.

The said financial results and other information filed by the Bank, from time to time is also available on the websites of the Exchanges, i.e., BSE at [www.bseindia.com](http://www.bseindia.com) and the NSE at [www.nseindia.com](http://www.nseindia.com). NSE and BSE have online platforms for filing of announcements and other compliance returns viz., NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, respectively. Various compliances as required/prescribed under the Listing Regulations are filed through these systems. Similar filings are also made to the London Stock Exchange and Singapore Stock Exchange.

For ready reference of the investors of the Bank, a list of frequently asked questions and their answers have been uploaded on website of the Bank at <https://www.axisbank.com/shareholders-corner/investor-faqs>.

In order to enable a larger participation of Shareholders at the 26<sup>th</sup> AGM, the Bank will provide Webcast facility for participation of its Members, details of which will be stated in the Notice convening the 26<sup>th</sup> AGM.

## General Body Meetings

The details of the last three Annual General Meetings, are as under:

AGM	Date and Day	Time	Location
23 <sup>rd</sup>	26 <sup>th</sup> July 2017 – Wednesday	9.30 a.m.	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad, Gujarat –380 015.
24 <sup>th</sup>	20 <sup>th</sup> June 2018 – Wednesday	10.00 a.m.	J. B. Auditorium, Ahmedabad Management Association, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad, Gujarat - 380 015.
25 <sup>th</sup>	20 <sup>th</sup> July 2019 - Saturday	10.00 a.m.	H. T. Parekh Auditorium, AMA Complex, ATIRA, Dr. Vikram Sarabhai Marg, Ahmedabad - 380 015

## Special resolutions passed at previous three Annual General Meetings

The details of the special resolution(s) passed at the previous three Annual General Meetings, are as under:

AGM No.	Date of AGM	Special Resolution(s)
23 <sup>rd</sup>	26 <sup>th</sup> July 2017	<b>Resolution No. 11</b> – Borrowing / Raising funds in Indian/Foreign Currency by issue of debt instruments including but not limited to subordinated debt, senior unsecured long term bonds, green bonds, medium term notes, non-convertible debentures on a private placement basis, for an amount of upto ₹ 35,000 crores.
24 <sup>th</sup>	20 <sup>th</sup> June 2018	<b>Resolution No. 11</b> - Increase in the borrowing limits of the Bank upto ₹ 200,000 crores, under Section 180 (1) (c) of the Companies Act, 2013.  <b>Resolution No. 12</b> - Borrowing / Raising funds in Indian/Foreign Currency by issue of debt instruments including but not limited to subordinated debt, senior unsecured long term bonds, green bonds, medium term notes, non-convertible debentures on a private placement basis, for an amount of upto ₹ 35,000 crores.
25 <sup>th</sup>	20 <sup>th</sup> July 2019	<b>Resolution No. 12</b> - Borrowing/Raising funds in Indian Currency/Foreign Currency by issue of Debt Securities including but not limited to long term bonds, green bonds, non-convertible debentures, perpetual debt instruments and Tier II Capital bonds or such other debt securities as may be permitted under the RBI guidelines, from time to time, on a private placement basis, for an amount of up to ₹ 35,000 crores.

## Procedure for Postal Ballot

In compliance with Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Bank provides e-voting facility to all its Members to enable them to cast their votes electronically on the matters included in Postal Ballot Notice. E-voting is optional and all Members are eligible to vote by completing and dispatching the Postal Ballot Form by post, or through e-voting. The Bank has engaged the services of KFIN for providing e-voting facility to its Members.

## Statutory Reports

### Corporate Governance

The Board of Directors of the Bank appoints a Scrutinizer for conducting the Postal Ballot process, in a fair and transparent manner. The Postal Ballot process is conducted in accordance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014, as amended.

The Bank dispatches the Postal Ballot Notice and relevant forms along with postage prepaid business reply envelope to those Members whose names appear on the Register of Members / Statements of Beneficial Holders provided by the Depositories as on the cut-off date. The Postal Ballot Notice is also sent in electronic form to those Members whose email address is registered with their DP in case shares are held in electronic form or with KFIN in case shares are held in physical form.

The Bank also publishes a notice in the newspaper declaring the details of completion of dispatch of the Postal Ballot Notice and other details, in accordance with the aforesaid provisions of the Companies Act, 2013 and the said Rules.

Voting rights are reckoned on the paid-up value of the shares registered in the names of the Members as on the said cut-off date. Members desiring to exercise their votes by physical postal ballot forms are required to return the forms duly completed and signed to the Scrutinizer at the address mentioned in the postage prepaid business reply envelope on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to exercise their vote using the e-voting facility before the close of business hours on the last date of e-voting as set out in the Postal Ballot Notice.

The Scrutinizer is required to submit his report to the Chairman after verification of the records and thereafter the consolidated results of the voting can be declared by the Chairman or by any one of the Directors of the Bank, duly authorized by the Board of Directors, in this regard.

Subsequently, the said results along with the report of the Scrutinizer is disclosed to the Stock Exchanges within 48 hours of such declaration, in terms of Regulation 44(3) of the Listing Regulations, uploaded on the website of the Bank and displayed on the notice board at the Registered and Corporate Offices of the Bank, in accordance with the aforesaid provisions of the Companies Act, 2013 and the said Rules.

The resolution, if passed by requisite majority, shall be deemed to have been passed on the last date specified by the Company for receipt of duly completed postal ballot forms or e-voting.

No special resolution is proposed to be passed through postal ballot.

#### Special Resolutions passed through postal ballot during the Financial Year 2019-20:

During the year under review, approval of Shareholders of the Bank was sought for the following matters, through postal ballot on 22<sup>nd</sup> August 2019 and 10<sup>th</sup> January 2020. The Bank had appointed Shri D. Raghavendar Rao., Practicing Company Secretary (Membership No. ACS 35788/C.P. No. 13407) to act as the Scrutinizer for conducting the said postal ballot process, in a fair and transparent manner.

The summary of the Postal Ballot results in respect of the special resolutions, declared on 22<sup>nd</sup> August 2019 and 10<sup>th</sup> January 2020, are as under:

#### August 2019:

Raising of funds through issue of equity shares/depository receipts and/or any other instruments or securities representing either equity shares and/or convertible securities linked to equity shares including through Qualified Institutions Placement/ American Depository Receipts/Global Depository Receipts/Preferential Allotment or such other permissible mode or combinations thereof.

No. of votes in favour	No. of votes against	% of votes in favor	% of votes against
2,04,20,76,228	1,37,24,598	99.33%	0.67%

#### January 2020:

Re-appointment of Shri S. Vishvanathan (DIN: 02255828) as an Independent Director of the Bank, for a period of 3 years, with effect from 11<sup>th</sup> February 2020 up to 10<sup>th</sup> February 2023 (both days inclusive).

No. of votes in favour	No. of votes against	% of votes in favor	% of votes against
2,12,19,15,016	50,37,564	99.76%	0.24%



## Plant Locations

As the Bank is a Banking Company registered under the Banking Regulation Act, 1949, the provisions relating to disclosure of details relating to plant location is not applicable to the Bank. The Bank operates through a network of branches spread across the length and breadth of the country. The number of branches (including extension counters) as on 31<sup>st</sup> March 2020 stood at 4,528.

The list of branches is uploaded on the website of the Bank at <https://branch.axisbank.com>.

## Address for Correspondence

Registered Office	Corporate Office	Registrar & Share Transfer Agent
<p><b>Axis Bank Limited</b> [CIN: L65110GJ1993PLC020769] 'Trishul', 3<sup>rd</sup> Floor, Opp. Samartheshwar Temple, Law Garden, Ellisbridge, Ahmedabad-380 006. Gujarat. Tel. No.: +9179-6630 6161 Fax No.: +9179-2640 9321 Email: <a href="mailto:shareholders@axisbank.com">shareholders@axisbank.com</a></p>	<p><b>Axis Bank Limited</b> 'Axis House', C-2, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai-400 025. Maharashtra. Tel. No.: +9122-2425 2525 Fax No.: +9122-2425 1800 Email: <a href="mailto:shareholders@axisbank.com">shareholders@axisbank.com</a></p>	<p><b>KFin Technologies Private Limited</b> Unit: Axis Bank Limited. Selenium Tower – B, Plot No 31 &amp; 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Telangana. Tel. No.: +91 40-6716 2222 Fax No.: +91 40-2300 1153 Toll Free No.: 1800-345-4001 Email: <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a></p>

## Debenture Trustees

### IDBI Trusteeship Services Limited

Asian Building, Ground Floor,  
17, R. Kamani Marg,  
Ballard Estate, Mumbai - 400 001.  
Phone No. +91 - 22 4080 7000.  
Website: [www.idbitrustee.com](http://www.idbitrustee.com)

### SBI Cap Trustee Company Limited

6<sup>th</sup> Floor, Apeejay House, 3,  
Dinshaw Wachha Road,  
Churchgate, Mumbai - 400 020.  
Phone No. +91 - 22 - 4302 5555.  
Website: [www.sbicaptrustee.com](http://www.sbicaptrustee.com)

**COMPLIANCE WITH CODE OF CONDUCT AND CONFLICT OF INTEREST NORMS IN RESPECT OF  
BOARD OF DIRECTORS AND THE CODE OF CONDUCT AND ETHICS FOR SENIOR MANAGEMENT OF  
THE BANK, FOR THE FINANCIAL YEAR 2019-20**

I confirm that for the year under review, all Directors and Members of the Senior Management of the Bank, have affirmed compliance with the Codes, as applicable to them.

**Amitabh Chaudhry**

*Managing Director & CEO*

Place : Mumbai

Date : 29<sup>th</sup> April 2020