

Corporate Governance Report

1. SIDBI PHILOSOPHY ON CORPORATE GOVERNANCE:

Small Industries Development Bank of India (SIDBI) established under SIDBI Act, 1989 is governed by SIDBI Act, 1989, SIDBI Regulations, 2000 and RBI Circular dated April 26, 2021, on Corporate Governance in Banks – Appointment of Directors and Constitution of Committees of the Board. Being a High Value Debt listed entity (having listed value of non-convertible Debt Securities of more than ₹ 500 crore), Regulation no. 15 to 27 of SEBI (Listing Obligations & Disclosure Requirements, LODR) Regulations, 2015 are also applicable apart from other provisions of LODR 2015 as amended from time to time.

SIDBI is committed to values, ethical conduct, transparency in dealing, contribution towards social causes and considering stakeholder's interest in the fair conduct of business. SIDBI believes that good governance is an integral element for its business and growth. Governance goes beyond compliance with the statutory and regulatory requirements and aims to safeguard, maintain and enhance shareholders' wealth.

The Report on Corporate Governance for the financial year ended March 31, 2025 containing, inter-alia, the matters as specified in Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is presented hereunder:

2. BOARD OF DIRECTORS:

The Small Industries Development Bank of India Act, 1989 (the SIDBI Act) was enacted by the Parliament to establish the Small Industries Development Bank of India ('SIDBI'). The Constitution of the Board including procedure related to appointment of Executive and Non-Executive Directors, their duties and function are prescribed under the Act.

The Board is headed by Chairman and Managing Director appointed by Government of India, Department of Financial Services under the provision of section 6 (1) (a) of the SIDBI Act. Two whole-time directors designated as Deputy Managing Directors are appointed under section 6 (1) (b) by Government of India. Government of India also nominates two government officials as nominee directors in the category of non-executive directors under section 6 (1) (c) of the SIDBI Act. Three directors are nominated under section 6 (1) (d) of the SIDBI Act in the prescribed manner by the public sector banks, the General Insurance Corporation, the Life Insurance Corporation and other institutions owned or controlled by the Central Government. Three directors including one director from the officials of the State Financial Corporations, nominated by the Central Government under section 6 (1) (e) of the SIDBI Act, from amongst the persons having special knowledge of, or professional experience in, science, technology, economics, industry, banking, industrial co-operatives, law, industrial finance, investment, accountancy, marketing or any other matter, the special knowledge of, or professional experience which would, in the opinion of the Central Government, be useful for SIDBI and a maximum number of four directors in terms of percentage of shareholding to be elected by the other shareholders under section 6 (1) (f) of the SIDBI Act, provided that Board may co-opt such number of Directors not exceeding four, in case the shareholding of does not permit such election of four directors. The SIDBI Act doesn't provide for 'retire by rotation' of its directors.

i. Composition and Category of Directors:

As on March 31, 2025, SIDBI Board comprised 3 executive directors and 9 non-executive directors. There is no relationship amongst directors *inter-se*.

Name of the Director	Category (Chairperson/ Executive/ Non-Executive/ Independent/ Nominee)	Initial Date of Appointment	Date of Cessation
Shri Manoj Mittal, Chairman and Managing Director	Chairperson/Executive	27/07/2024	26/07/2027
Shri Sudatta Mandal, Deputy Managing Director	Executive	03/05/2021	02/05/2026 or until further orders, whichever is earlier
Shri Prakash Kumar, Deputy Managing Director	Executive	07/11/2023	06/11/2026 or until further orders, whichever is earlier
Dr. Rajneesh, Government Director	Non-Executive/ Nominee	22/02/2023	Until further orders
Shri Manoj Muttathil Ayyappan, Government Director	Non-Executive/ Nominee	06/08/2024	Until further orders
Shri Anindya Sunder Paul, Nominee of State Bank of India	Non-Executive/ Nominee	03/08/2023	Until further orders
Shri Laxmi Chand Meena, Nominee of Life Insurance Corporation of India	Non-Executive/ Nominee	28/10/2024	Until further orders
Shri Manikumar S, Nominee of National Bank for Agriculture & Rural Development	Non-Executive/ Nominee	01/01/2024	Until further orders
Shri Amit Tandon, Co-opted Director	Non-Executive/ Independent	08/08/2021	07/08/2027
Shri Jitender Kalra, Co-opted Director	Non-Executive/ Independent	13/02/2024	12/02/2027
Shri P. J. Thomas, Co-opted Director	Non-Executive/ Independent	15/11/2024	14/11/2027
Ms. Padmaja Shailen Ruparel, Co-opted Director	Non-Executive/ Independent	14/03/2025	13/03/2028

Note: Pursuant to and in accordance with explanation provided under Regulation no. 16 (1) (b) (Independent Director) it may be mentioned that SIDBI being a 'high' value debt listed entity and composition of the Board of SIDBI is mandated to constitute in terms of section 6 of the SIDBI Act, 1989. Accordingly, the Non-Executive directors on the board of SIDBI shall be treated as independent directors in SIDBI. However, Proviso to regulation 62B (1)(b) of LODR 2015, which became effective from 27.03.2025 (on mandatory basis for the High Value Debt listed Entity), excludes the nominee directors from the list of independent directors and read as under:

"Provided that in case of a listed entity which is a body corporate, mandated to constitute its board of directors in the manner specified under the law under which it is established or is an entity set up under the public private partnership model/structure, the Non-Executive directors, other than a nominee director of such entity on its board of directors, shall be treated as independent directors."

In view of the Statutory provisions as per SIDBI Act, 1989, forbearance from the Compliance of the requirements as per 62B (1)(b) of LODR 2015, is being sought from SEBI.

ii. Details of Skills/Expertise/Competencies possessed by the Directors who were part of the Board on 31st March 2025 were as follows:

SIDBI Board as on March 31, 2025, is heterogeneous and with mix of experience, qualifications, gender, skill set and expertise. The table below summarises Board of Directors' skills sets and attributes hereinbelow.

Name	Qualifications	Skills/Expertise/Competencies
Shri Manoj Mittal	B. Tech (Mechanical), PGDBM, CAIIB, Post Graduate in Economics	Governance & Leadership, Management, Economics, International Exposure & Relationships, Finance, Banking & Non-banking.
Shri Sudatta Mandal	B-Tech. (Electrical) and PGDM (Finance)	Asset & Risk Management, Compliances, Strategy, Accountancy, Finance, Banking, Trade and Investment Finances, Project Finance, SME lending, Cluster Development, Management & Administration, Governance & Leadership
Shri Prakash Kumar	B. Tech in Chemical Engineering, Master in Financial Management	Strategy, Finance, Project Finance, SME Financing, NBFC and Microfinance Financing, Risk Management, Resource Management, NPA Management, Business Process Re-engineering, MSME Financing & Development, Management & Administration, Governance & Leadership
Dr. Rajneesh	Masters in Economics & International Law and PhD	Finance, MSME Financing, SME Lending, Financial Analysis, Trade Finance, Risk Management, Stress Account Management and Credit Operations
Shri Manoj Muttathil Ayyappan	MBA	Finance, MSME Financing, SME Lending, Financial Analysis, Trade Finance, Risk Management, Stress Account Management and Credit Operations
Shri Anindya Sunder Paul	M.Sc	Strategy, Finance, Project Finance, SME Financing, Risk Management, Resource Management, NPA Management, MSME Financing & Development, Retail Banking, Management & Administration, Governance & Leadership
Shri Laxmi Chand Meena	B.Sc	Governance & Leadership, Management, Personnel & Industrial Relationship, Administration & Marketing, Insurance Sector
Shri Manikumar S	B.Com, CAIIB, FCMA, Adv. PGDCA, MBA (Finance), MS (Banking)	Credit Planning, Financial Management, Rural Innovations, Microfinance and Financial Inclusion, Integrated Risk Management, Human Resource Transformation, Banking Technologies, Start-up Investments and structuring of new financial products, Strategic Planning and Product Innovations
Shri Amit Tandon	BA (Hons), MBA and M. Phil	Governance & Leadership, Merchant Banking, Project Finance, Economics, Management, Corporate Law matter
Shri Jitender Kalra	B.Sc (Engineering) and MBA	Enterprise and Livelihood Promotion, Financial Literacy, Skill Development, Rural Transformation and Regenerative Agriculture, Cluster Development, Policy Framing, Organisational Transformation, Management & Administration, Governance & Leadership
Shri P. J. Thomas	B.Sc (Hons.), MBA and CAIIB	Governance & Leadership, Banking and Finance, Banking Regulations, Banking Supervision & Financial Inclusion, Economics, Management
Ms. Padmaja Shailen Ruparel	BA (English Honours), MBA (DIP), Chartered Accountancy (Intermediate)	Governance & Leadership, Management, Merger & Acquisition, Startups, Investment Banking, Alternate Investment Fund.

The table below outlines the key attributes and skills of the directors, in accordance with the SIDBI Act of 1989, categorised under broad parameters such as industrial and technical knowledge, relevant experience, and governance & leadership.

Name of Director	Industrial and Technical Knowledge	Experience	Governance & Leadership
Shri Manoj Mittal	✓	✓	✓
Shri Sudatta Mandal	✓	✓	✓
Shri Prakash Kumar	✓	✓	✓
Dr. Rajneesh	✓	✓	✓
Shri Manoj Muttathil Ayyappan	✓	✓	✓
Shri Anindya Sunder Paul	✓	✓	✓
Shri Laxmi Chand Meena	✓	✓	✓
Shri Manikumar S	✓	✓	✓
Shri Amit Tandon	✓	✓	✓
Shri Jitender Kalra	✓	✓	✓
Shri P. J. Thomas	✓	✓	✓
Ms. Padmaja Shailen Ruparel	✓	✓	✓



iii. Details of Membership/Chairmanship of Directors in the Board/Committees of other listed entities:

Name of Director	Name of Listed Entity other than SIDBI in which the Director is a member of the Board	Name of the Board/ Committee in other listed entity where the Director is Chairman/Member	Category of Directorship in other listed entities
Shri Manoj Mittal	Nil	NA	NA
Shri Sudatta Mandal	Nil	NA	NA
Shri Prakash Kumar	Nil	NA	NA
Dr. Rajneesh	Nil	NA	NA
Shri Manoj Muttathil Ayyappan	Bank of India	Audit Committee – Member	Non-Executive (Independent Nominee Director)
	National Bank for Financing Infrastructure and Development (NaBFID)	Nomination and Remuneration Committee	Non-Executive (Nominee Director)
Shri Anindya Sunder Paul	Nil	NA	NA
Shri Laxmi Chand Meena	Nil	NA	NA
Shri Manikumar S	Nil	NA	NA
Shri Amit Tandon	Nil	NA	NA
Shri Jitender Kalra	Nil	NA	NA
Shri P. J. Thomas	Nil	NA	NA
Ms. Padmaja Shailen Ruparel	Ester Industries Ltd.	(i) Audit Committee – Chairperson	Non-Executive (Independent Director)
		(ii) Risk Management Committee - Member	
		(iii) Nomination & Remuneration Committee - Chairman	
		(iv) Stakeholders Relationship Committee - Chairman	

Notes:

- None of the Directors on the Board is a director/independent director of more than 7 listed entities including high value debt listed entities.
- None of the whole-time directors/managing director is an independent director in more than 3 listed entities.
- None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees, across all listed entities in which he/she is a director
- There is no relationship amongst directors inter-se.
- None of the Non-Executive Directors hold shares and Convertible Securities of SIDBI as on March 31, 2025.

iv. Change of Director during the Financial Year 2025:

The changes in the composition of the Board during the year are given hereunder:

Name	Date of Appointment	Date of Cessation (in case of resignation)	Remarks (viz. Reasons for Change etc.)
Shri Manoj Mittal	27/07/2024	-	Appointment: Government of India, vide its notification dated July 26, 2024, appointed Shri Manoj Mittal as Chairman & Managing Director.
Shri Manoj Muttathil Ayyappan	06/08/2024	-	Nominated: Government of India, vide notification dated August 6, 2024, nominated Shri Manoj Muttathil Ayyappan as its nominee Director on the Board of SIDBI vice Shri Bhushan Kumar Sinha.
Shri Laxmi Chand Meena	28/10/2024	-	Nominated: LIC vide its letter dated October 10, 2024, nominated Shri Laxmi Chand Meena as its nominee Director on the Board of SIDBI in place of Shri K. S. Nagnyal.
Shri P. J. Thomas	15/11/2024	-	Co-opted: The Board at its 224 th meeting held on November 14, 2024, co-opted Shri P. J. Thomas as Director for a period of three years from November 15, 2024.
Shri Padmaja Shailen Ruparel	14/03/2025	-	Co-opted: The Board of Directors approved co-option of Ms. Padmaja Shailen Ruparel as a Director for a period of three years from March 14, 2025.
Shri Sivasubramanian Ramann	-	18/04/2024	Cessation: Completed tenure of CMD as per Gol notification dated April 07, 2021.
Shri Bhushan Kumar Sinha	-	05/08/2024	Cessation: Consequent upon Government of India nominating Shri Manoj Muttathil Ayyappan on the Board in his place, he ceased to be a member of the Board.
Shri K. S. Nagnyal	-	27/10/2024	Cessation: Consequent upon LIC nominating Shri Laxmi Chand Meena on the Board in his place, he ceased to be a member of the Board.
Shri G. Gopala Krishna	-	10/08/2024	Cessation: Completed his tenure on August 10, 2024.
Ms. Nupur Garg	-	03/02/2025	Cessation: Completed her tenure on February 3, 2025.

v. Meetings of the Board of Directors:

As per the SEBI regulation, a meeting of the Board shall be held at least four times a year, with a maximum time gap of one hundred and twenty days between any two meetings.

No. of meetings held during the Financial Year: 04 (Four)

Date of meetings: 29/05/2024, 13/08/2024, 14/11/2024 and 07/02/2025

Name of Directors	Number of Meetings entitled to attend after Appointment/ Nominations/Co-option	Number of Meetings Attended	Attendance in the last AGM held on 25/09/2024
Shri Manoj Mittal	3	3	Yes
Shri Sudatta Mandal	4	4	Yes
Shri Prakash Kumar	4	4	Yes
Dr. Rajneesh	4	1	-
Shri Manoj Muttathil Ayyappan	3	3	-
Shri Anindya Sunder Paul	4	2	-
Shri Laxmi Chand Meena	2	2	-
Shri Manikumar S	4	3	-
Shri Amit Tandon	4	3	Yes
Shri Jitender Kalra	4	4	-
Shri P. J. Thomas	1	1	-
Ms. Padmaja Shailen Ruparel	0	0	-
Name of Director who were part of the Board during the financial year and ceased to be members of SIDBI Board			
Shri Siva Subramanian Ramann	0	-	-
Shri Bhushan Kumar Sinha	1	0	-
Shri K. S. Nagnyal	2	2	-
Shri G. Gopalakrishna	1	1	-
Ms. Nupur Garg	3	3	Yes

3. BOARD-LEVEL COMMITTEES:

In terms of the provisions of SIDBI Act, 1989, SIDBI General Regulations, 2000, SEBI (LODR), Government instructions/ guidelines, RBI Circulars and business requirement, Board of SIDBI has constituted Eleven Committees viz., Audit Committee (AC), Risk Management Committee (RiMC), Nomination & Remuneration Committee (NRC), Stakeholders Relationship Committee (SRC), Executive Committee (EC), Special Committee of the Board for Monitoring and Follow-Up of Cases of Frauds (SCBMF), Information Technology Strategy Committee (ITSC), Customer Service Committee (CSC), Recovery Review Committee (RRC), Review Committee on Wilful Defaulters & Non Co-operative Borrowers (RCWD&NCB) and Committee on Sustainable Development Goals (CSDG).

Board of Directors of SIDBI has approved the Charter of Committees including Composition, Functions of the Committee, Frequency of Meeting, quorum etc. and the same is placed on the website of SIDBI i.e. www.sidbi.in at its Corporate Governance Section.

- I. Audit Committee:** The Audit Committee of the Board was constituted in terms of RBI guidelines and complies with the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI (LODR) (Amendment) notification dated March 27, 2025, and stricter provision of the two regulations were taken in the charter.

- a. As on March 31, 2025, the Committee comprised 7 members including 5 non-executive directors including 1 Independent director and 2 Whole time directors as under :

Sr No	Name of Members of Audit Committee	Designation
1	Ms. Padmaja Shailen Ruparel	Non-Executive Director (Chairperson)
2	Shri Sudatta Mandal	Deputy Managing Director
3	Shri Prakash Kumar	Deputy Managing Director
4	Dr. Rajneesh	Non-Executive Director
5	Shri Manoj Muttathil Ayyappan	Non-Executive Director
6	Shri Anindya Sunder Paul	Non-Executive Director
7	Shri Laxmi Chand Meena	Non-Executive Director

- b. The primary role of the Audit Committee of the Board of SIDBI is to oversee the financial reporting process, review significant adjustments in the financial statements, examine changes in accounting policies and practices along with their justifications, monitor the functioning of the whistleblower mechanism, review internal audit reports, and approve related party transactions. The Committee is responsible for reviewing, with management, the statement of uses/application of funds raised through an issue. This includes examining the statement of funds utilised for purposes other than those specified in the offer document and making suitable recommendations to the Board for further action. Additionally, the Committee reviews the findings of any internal investigations conducted by internal auditors into cases of suspected fraud, irregularities, or significant failures in internal control systems and reports these matters to the Board.
- c. Number of meetings held during the Financial Year: 04 (Four)
- d. Date of meetings: 29/05/2024, 13/08/2024, 14/11/2024 and 05/02/2025.
- e. Meeting and Attendance of the Audit Committee:

Name of Directors	Number of Meetings held during the tenure	Number of Meetings Attended
Ms. Padmaja Shailen Ruparel	0	0
Shri Sudatta Mandal	4	4
Shri Prakash Kumar	4	4
Dr. Rajneesh	4	1
Shri Manoj Muttathil Ayyappan	3	3
Shri Anindya Sunder Paul	4	1
Shri Laxmi Chand Meena	1	1
Ms. Nupur Garg	3	3
Shri Bhushan Kumar Sinha	1	0
Shri K. S. Nagnyal	2	2

- II. Nomination and Remuneration Committee:** The Nomination and Remuneration Committee has been in place and is in accordance with the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to the extent it does not conflict with SIDBI Act, 1989.

- a. As on March 31, 2025, the Committee comprised of 3 members, all of them Non-executive / Independent directors as under:

Sr. No.	Name of Members of Committee	Designation
1	Shri Manoj Muttathil Ayyappan	Non-Executive Director
2	Shri Laxmi Chand Meena	Non- Executive Director
3	Shri Jitender Kalra	Non-Executive Director

- b. The role of the Nomination and remuneration Committee is to recommend to the Board to co-opt such number of directors, not exceeding four, under first provisos of section 6 (1) (f) of SIDBI Act, 1989, to recommend to the board regarding extension/ continuation of the term of such appointment of the co-opted directors, on the basis of the report of performance evaluation of such directors and to formulate the criteria for evaluation of director.
- a. No. of meetings held during the Financial Year: During FY 2024-25, two meetings of the Committee were held.
- b. Date of meetings: 14/11/2024 and 11/02/2024 both the meetings were held under the chairmanship of Shri Manoj Muttathil Ayyappan.
- c. Meetings, and attendance of the Nomination and Remuneration Committee

Name of Directors	Number of Meetings held during the tenure	Number of Meetings Attended
Shri Manoj Muttathil Ayyappan	2	2
Shri Laxmi Chand Meena	1	1
Shri Jitender Kalra	2	2
Ms. Nupur Garg	1	1

III. Stakeholders Relationship Committee: The committee has been constituted in accordance with the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

- a. As on March 31, 2025, the Committee comprised 5 members, comprising 3 Non-executive directors including 1 Independent director and 2 whole time directors as under:

Sr. No.	Name of Members of Committee	Designation
1	Shri P. J. Thomas	Non-Executive Director (Chairperson)
2	Shri Sudatta Mandal	Deputy Managing Director
3	Shri Prakash Kumar	Deputy Managing Director
4	Shri Anindya Sunder Paul	Non-Executive Director
5	Shri Laxmi Chand Meena	Non-Executive Director

- b. The stakeholder committee's role is to monitor shareholder and security holder grievances, ensure effective voting rights, review service standards of the Registrar & Transfer Agent, and implement measures to reduce unclaimed dividends. It also ensures timely receipt of dividend warrants, annual reports, and statutory notices by the Bank's shareholders.
- c. No. of meetings held during the Financial Year: During FY 2024-25, one meeting of the Committee was held.
- d. Date of meetings: 24/03/2025
- e. The details regarding attendance in meetings of the Stakeholder Relationship Committee are given below:

Name of Directors	Number of Meetings held during the tenure	Number of Meetings Attended
Shri P. J. Thomas	1	1
Shri Sudatta Mandal	1	1
Shri Prakash Kumar	1	1
Shri Anindya Sunder Paul	1	0
Shri Laxmi Chand Meena	1	1

Name and designation of Compliance Officer: Shri Pankaj Kumar Sahu (Company Secretary & Compliance Officer)

Status of Investor Complaint during the financial Year 2025:

Security	Number of complaints received during the year	Number of complaints not solved to the satisfaction of security holder	Number of pending complaints
Shareholders	0	0	0
Holder of Non-Convertible listed Securities	0	0	0

IV. Risk Management Committee: The Risk Management Committee (RiMC) of the Board was constituted in terms of RBI Circular and complies with the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and SEBI (LODR) (Amendment) Regulations, 2018.

- a. As on March 31, 2025, the Committee comprised 5 members, comprising 3 Non-executive directors and 2 whole time directors as under:

Sr. No.	Name of Members of Committee	Designation
1	Shri Amit Tandon	Non-Executive Director (Chairperson)
2	Shri Sudatta Mandal	Deputy Managing Director
3	Shri Prakash Kumar	Deputy Managing Director
4	Shri Anindya Sunder Paul	Non-Executive Director
5	Shri Manikumar S	Non-Executive Director

- b. The RiMC's roles, as defined by the Enterprise Risk Management (ERM) policy, involve formulating risk management policies for credit, market, operational risks, ALM, investment, ICAAP, and other significant areas. This includes identifying internal and external risks such as financial, operational, sectoral, sustainability, and cyber security risks specific to SIDBI. RiMC conducts periodic reviews of the risk policies and framework to ensure that appropriate methodologies, processes, and systems are in place to monitor and assess the risks associated with SIDBI's operations. Additionally, RiMC supervises and oversees the implementation of the risk management policy, including evaluating the adequacy of risk management systems and defining or revising the roles and responsibilities of other Risk Management Committees such as the Enterprise Risk Management Committee (ERMC) and the Asset Liability Management Committee (ALCO).
- c. No. of meetings held during the Financial Year: During FY 2024-25, seven meetings of the Committee were held.
- d. Date of meetings: 27/05/2024, 26/06/2024, 23/07/2024, 12/08/2024, 12/11/2024, 13/02/2025 and 25/03/2025.
- e. Composition, meetings, and attendance of the Risk Management Committee:

Name of Directors	Number of Meetings held during the tenure	Number of Meetings Attended
Shri Amit Tandon, Chairperson	7	7
Shri Sudatta Mandal	7	6
Shri Prakash Kumar	7	6
Shri Anindya Sunder Paul	7	3
Shri Manikumar S	7	6

V. Executive Committee: The Executive Committee of the Board is constituted in terms of the provision contained in the SIDBI Act, 1989

- a. As on March 31, 2025, the Committee had 5 members, comprising 2 Non-Executive directors and 3 whole time directors as under:

Sr. No.	Name of Members of Committee	Designation
1	Shri Manoj Mittal	Chairman & Managing Director (Chairperson)
2	Shri Sudatta Mandal	Deputy Managing Director
3	Shri Prakash Kumar	Deputy Managing Director
4	Shri Anindya Sunder Paul	Non-Executive Director
5	Shri Jitender Kalra	Non-Executive Director

- b. The Role of the committee is to approve credit and investments related proposals as per credit exposure norms/ delegation, sanction of refinance assistance to BBanks/SFB involving relaxation in norms beyond the relaxable caps prescribed under the scheme, sanction OTS, restructuring etc. to Banks and SFCs under Institutional Finance, to consider proposals for approval/sanction of exposure and securitisation/assignment of specified portfolio w.r.t NBFCs under Institutional Finance, to consider proposals involving any relaxation in benchmark norms for sanction, eligibility parameters and other parameters for sanction as per DoP and proposals involving Connected Lending provisions and to discharge such functions as may be prescribed or as may be delegated to it by the Board from time to time.
- c. Executive committee has met 6 times during the year on 02/07/2024, 23/09/2024, 18/12/2024, 07/01/2025, 05/02/2025 and 20/03/2025.



d. Composition, meetings, and attendance of Executive Committee:

Name of Directors	Number of Meetings held during the tenure	No. of Meetings Attended
Shri Manoj Mittal	5	5
Shri Sudatta Mandal	6	6
Shri Prakash Kumar	6	6
Shri Anindya Sunder Paul	6	2
Shri Jitender Kalra	5	5
Shri G. Gopalakrishna	1	1

VI. Recovery Review Committee: The role of the Recovery Review Committee is to review the NPA cases having principal outstanding of ₹5 crore and above and SMAs, restructured accounts. During FY 2024-25, four meetings of the Committee were held.

VII. Review Committee on Wilful Defaulters & Non-Cooperative Borrowers (RCWD&NCB): The role of the RCWD&NCB is to review the orders passed by the Committee for Identification of Wilful Defaulters & Non-Cooperative Borrowers for identifying cases as wilful defaulters & non-cooperative borrowers. The Committee also reviews, on half yearly basis, cases of wilful default and non-cooperative borrowers and declassification, if any, thereof. During FY 2024-25, no meeting of the Committee was held.

VIII. Special Committee to Monitor Large Value Frauds (SCMLVF): The function of SCMLVF is to monitor and review all frauds of ₹1 crore and above and to monitor progress of recovery position, ensure that staff accountability is examined at all levels and to review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls. SCMLVF has met 3 times during FY 2024-25.

In line with RBI Master Directions on Fraud Risk Management issue in July 2024, the Special Committee to Monitor Large Value Frauds (SCMLVF) has since been renamed as Special Committee of the Board for Monitoring and Follow-up of cases of Fraud (SCBMF) with revised scope of its functions. The SCBMF oversees fraud risk management in the bank, reviews and monitors fraud cases, and suggests measures to strengthen internal controls and minimise fraud. It examines trends and systemic issues, identifies delays in detecting fraud, reports to top management and RBI, monitors investigations and recovery progress, ensures timely staff accountability, and reviews remedial actions to prevent future fraud. SCBMF has met once during FY 2024-25.

IX. Customer Service Committee (CSC): The function of CSC shall review the status of customer service in the Bank and suggest measures to improve quality of customer services. The Committee also monitors the customer grievances and timely resolution thereof. CSC has met 4 times during FY 2024-25.

X. IT Strategy Committee (ITSC): The function of ITSC is to approve IT vision, strategy and IT policy documents of the Bank, ensuring that the business and IT strategy are in alignment, IT organisational structure complements the business model and its direction. The Committee also act as apex committee for Information and Cyber Security, taking strategic and financial decisions on the information security plan to maintain a satisfactory level of information security. ITSC has met 4 times during FY 2024-25.

XI. Committee on "Sustainable Development Goals" (CSDG): CSDG is responsible for formulating strategy for the Bank for helping the MSMEs/stake holders achieving SDGs. It monitors and reviews the initiatives of the Bank related to SDG and guide the Bank for effective implementation of SDG agenda particularly climate change, carbon neutrality, sustainability, etc. It guides and supervises development of guidelines for environmental, social, and governance (ESG), relevant for MSME Sector and monitor implementation thereof. The Committee held one meeting during FY 2024-25.

4. REMUNERATION OF DIRECTORS FOR FY2025

Name of Director	Salary as per section 17 (1) of IT Act (amt in ₹)	Other Benefit (amt in ₹)	Gross Salary (amt in ₹)
1	2	3	4=2+3
Shri Manoj Mittal (CMD)	36,41,607	28,14,170	64,55,777
Shri Sudatta Mandal (DMD)	41,06,326	21,17,325	62,23,651
Shri Prakash Kumar (DMD)	44,65,019	26,46,673	71,11,692
Shri Sivasubramanian Ramann (CMD) (tenure completed on 18/04/2024)	3,58,473	5,95,875	9,54,348

Other Benefit includes medical reimbursement, furnishing of residence, utility bills, newspaper & periodical, etc.

1.1 Remuneration and Sitting Fees to the Non-Executive Directors:

SIDBI does not pay any remuneration to Non-Executive Directors except sitting fees, in terms of Government of India guidelines, for attending the meetings of the Board and its Committees. The fees payable is as under:

Meetings	Sitting fees payable per meeting
Board	₹40,000 (₹10,000 additional for chairing Board Meeting)
Committee	₹20,000 (₹5,000 additional for chairing Committee Meetings)

Note: Executive directors and Govt officials on the Board of the SIDBI are not entitled for any sitting fees.

The total sitting fees paid to non-executive directors during FY2025

Name of Director	Gross Amount Paid (including TDS) (amt in ₹)
State Bank of India (For nominee director Shri Anindya Sunder Paul)	3,60,000
Shri Laxmi Chand Meena	1,85,000
Shri Krishna Singh Nagnyal	1,40,000
NABARD (For nominee director Shri Manikumar S)	2,80,000
Shri Amit Tandon	4,70,000
Shri Jitender Kalra	4,20,000
Shri P J Thomas	1,30,000
Shri G. Gopalakrishna	1,85,000
Smt. Nupur Garg	3,40,000

5. GENERAL BODY MEETINGS:

Financial Year	Date	Location of the Meeting	Time (IST)	Special Resolution (s) Passed
2023-24	September 25, 2024	Lucknow	11.00 a.m.	<ul style="list-style-type: none"> Approval of appointment of Shri Manoj Muttathil Ayyappan (DIN:10733238) who was nominated as Director by the Central Government vide Notification No. FT-1/12/2022 – IF-II dated August 06, 2024, not liable to retire by rotation, with effect from August 06, 2024. Approval of appointment of Shri Anindya Sunder Paul (DIN:10272439) who was nominated as Director by the State Bank of India, not liable to retire by rotation, with effect from August 03, 2023. To consider approval of appointment of Shri Manikumar.S (DIN: 08956660) who was nominated as Director by the National Bank for Agriculture and Rural Development, not liable to retire by rotation, with effect from January 01, 2024. To consider approval of continuation of Ms Nupur Garg as an Independent (Co-Opted) Director (DIN: 03414074). To consider approval of appointment of Shri Jitendra Kalra (DIN:08722638) who was appointed as an Independent (Co-Opted) director by the Nomination and Remuneration Committee, and the Board of the Bank, not liable to retire by rotation, for a period of three years with effect from February 13, 2024.
2022-23	June 26, 2023	Lucknow	03:00 p.m.	Nil
2021-22	June 25, 2022	Lucknow	10.30 a.m.	Nil

Postal Ballot: No Resolution was passed by SIDBI last year through Postal Ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing a Resolution through Postal Ballot.

6. GENERAL INFORMATION/AFFIRMATION AND DISCLOSURES

- i. **Means of Communications:** The quarterly and annual financial results are normally published in 'Financial Express' and 'Jansatta' and also uploaded on the SIDBI's website viz. www.sidbi.in.
- ii. SIDBI has not made any presentation to institutional investors or to the analysts during FY2025.
- iii. **General Shareholder Information:**
 - 27th Annual General Meeting of SIDBI shall be held on Monday, September 29, 2025, at 03:00 p.m. at SIDBI, Board Room, 7th Floor, 15 Ashok Marg, Lucknow – 226 001, for the financial year 2025.
 - Dividend Payment Date: On or after September 29, 2025 (within 30 days from the date of AGM)
 - Record Date: Date of AGM
- iv. Equity shares of SIDBI are not listed in any of the Stock Exchanges. SIDBI is a high value debt listed entity and NCDs and CPs of SIDBI are listed in the National Stock Exchange of India Limited, Further, it is hereby confirmed that the listing fees (as applicable) of ₹17,40,500/- was paid during FY2025 to NSE.
- v. SIDBI confirms that the securities of SIDBI were not suspended from trading during Financial Year 2025.
- vi. **Distribution of Shareholding:**

Name of the Shareholder	% Holding
Government of India	20.85
State Bank of India	15.65
Life Insurance Corporation of India	13.33
National Bank for Agriculture & Rural Development	9.36
Punjab National Bank	5.96
Others	34.85
Total	100.00

- vii. We hereby confirm that electronic connectivity facility during the period April 1, 2024, to March 31, 2025 (both days inclusive) was provided by the Registrar and Share Transfer Agent, viz. MUFG Intime India Pvt. Ltd. (erstwhile Link Intime India Private Limited), which is registered as Registrar & Share Transfer Agent in Category - I with the Securities and Exchange Board of India vide Registration Number: INR000004058. Address: C-101, 247 Park, LBS Marg, Vikhroli West, Mumbai - 400083; Tel: 022-49186000; Fax: 022-49186060; Website: www.in.mpms.mufig.com.
- viii. Share Transfer System: SIDBI is not an equity listed entity. Shares of SIDBI were issued in demat form only. Regulation 27 of SIDBI General Regulations, 2000 deals with the transfer of shares of SIDBI and SIDBI has appointed MUFG Intime India Pvt. Ltd. (erstwhile Link Intime India Private Limited as a registrar and share transfer agent. Further, SIDBI securities (NCS) were listed in the National Stock Exchange of India Limited and issued in the demat form only.
- ix. Shares of SIDBI are dematerialised and are not listed in any of the stock exchanges. Hence, equity shares of SIDBI are not tradeable in any of the Stock Exchanges.
- x. Credit rating agencies and ratings: Care Ratings Limited, Crisil Ratings Limited, ICRA Limited and India Ratings & Research Pvt. Ltd. are the credit rating agencies for rating of the various instruments issued by SIDBI during the financial year under review, the ratings agencies have reaffirmed ratings and there was no change in rating of SIDBI.

CARE Ratings Limited	Rated amount (₹ in crores)	Date	Rating	Rating Action
Long-Term Bank Facilities	42,500	28-03-2025	CARE AAA; Stable	Reaffirmed
Short-Term Bank Facilities	97,500	28-03-2025	CARE A1+	Reaffirmed
MSE/RIDF Deposits	2,12,000	28-03-2025	CARE AAA; Stable	Reaffirmed
Unsecured Redeemable Bonds	1,38,000	28-03-2025	CARE AAA; Stable	Reaffirmed
Long-Term / Short-Term Instrument – CD / CP program	1,16,000	28-03-2025	CARE AAA; Stable / CARE A1+	Reaffirmed
Fixed Deposit	23,000	28-03-2025	CARE AAA; Stable	Reaffirmed
CRISIL Ratings Limited	Rated amount (₹ in crores)	Date	Rating	Rating Action
Non-Convertible Debentures	1,05,000	06-03-2025	CRISIL AAA/ Stable	Reaffirmed
ICRA Limited	Rated amount (₹ in crores)	Date	Rating	Rating Action
Non-Convertible Debentures	31,615	08-01-2025	ICRA AAA Stable	Reaffirmed
India Ratings & Research Pvt Ltd	Rated amount (₹ in crores)	Date	Rating	Rating Action
Commercial Paper	88,600	04-03-2025	IND A1+	Reaffirmed

- xi. All transactions with the related parties are on arm's-length basis and in the ordinary course of the business. Materially significant Related Party Transaction during the year under review as under:

Material Related Party Transactions during FY 2024-25



Sl no.	Name	PAN	Relationship of the counter-party with the listed entity or its subsidiary	Type of related party transaction	Approx Value of transaction during the reporting period (₹ in crore)
1	Bank of India	AAACB0472C	Common Director	Loan/Investment	45,263.11
2	Micro Units Development and Refinance Agency Limited (MUDRA)	AAJCM6526F	Common Director	Loan/Remuneration/ Interest Received/ Other Transactions	39,58.2

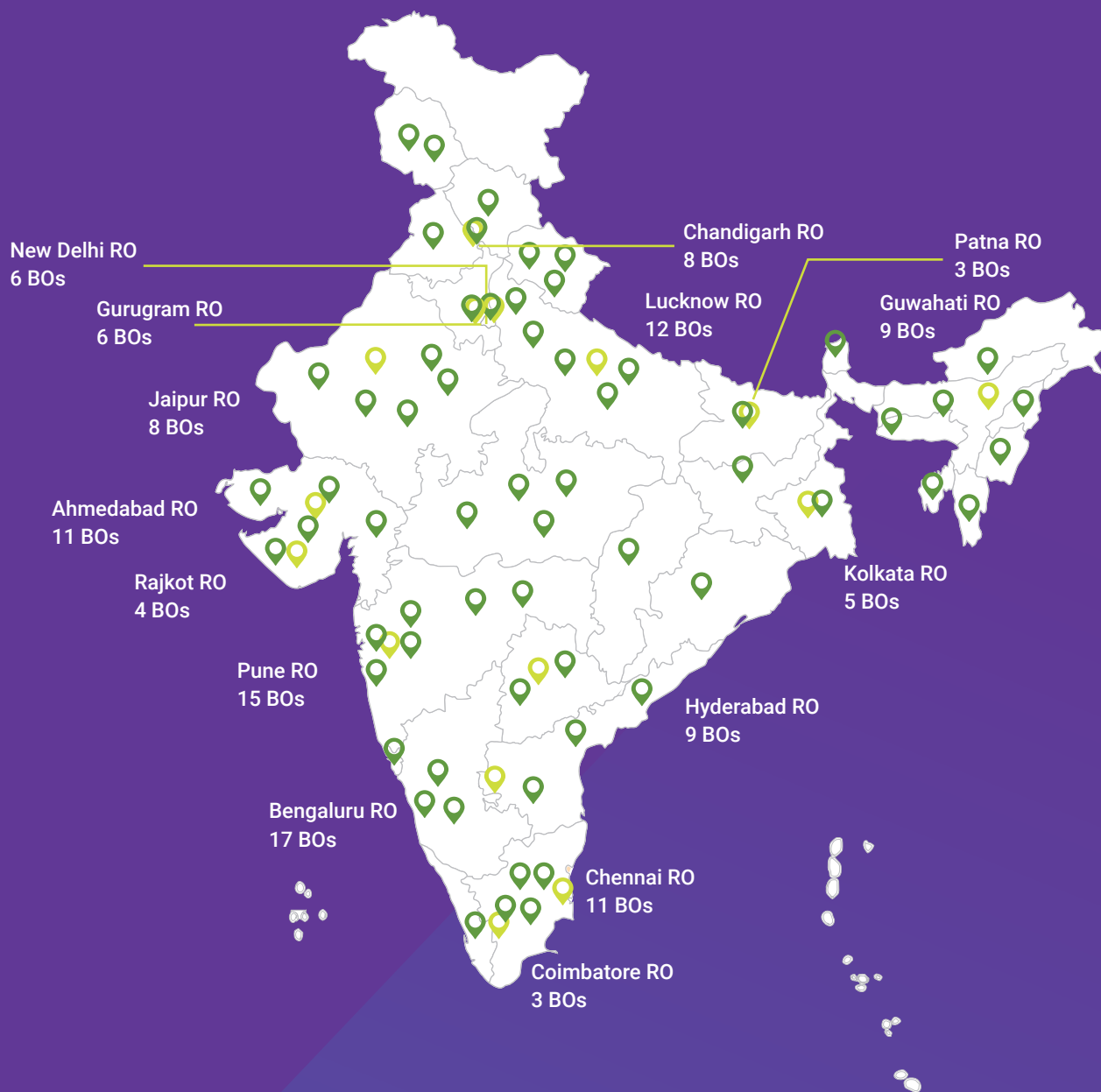
In terms of Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions [Transaction(s) entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of listed entity as per the last audited financial statements of the listed entity, whichever is lower] and [a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed {five} percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity].

10% Consolidated Turnover of SIDBI for FY2025 being higher than ₹1,000 crore, the limit for Material RPT is considered as ₹1,000 crore, also no transaction has been reported in respect of brand usage/royalty.

- xii. During the year under review, no penalty was imposed by SEBI for any violation of Act / Regulation.
- xiii. The Board of Directors of SIDBI in their 217th Board meeting held on February 06, 2023, has approved the vigil mechanism/whistle blower policy. In terms of requirement under Regulation no. 22 of the SEBI (LODR) Regulations, 2015 and Regulation no. 9A (6) of SEBI (PIT) (Amendments) Regulations, 2018 which mandates to formulate a whistle blower policy. The policy aims at instilling confidence into the whistle blower for ensuring effective corporate governance by maintaining confidentiality, protection from any form of victimisation. Complaints should be disposed of in a time-bound manner. The investigators should also be protected against victimisation. The subject (accused) shall be provided with an opportunity of being heard, before a final conclusion is drawn. SIDBI reserves the right to initiate disciplinary action against the whistle blower, in case the complaint is found to be false or frivolous, after investigation. The policy is made available on the website of SIDBI i.e. www.sidbi.in. No personnel were denied access to the Audit Committee of the Board in terms of Whistle Blower Policy.
- xiv. Policy on materiality of related party transactions and policy for determining 'material' subsidiaries are available on the website of SIDBI on www.sidbi.in under link: <https://www.sidbi.in/en/corporate-governance#section1>.
- xv. The Bank uses derivatives for hedging of interest rate and exchange risk arising out of mismatch in the assets and liabilities. All derivatives undertaken by Bank are for hedging purposes with underlying as Foreign Currency borrowings, which are not MTM, but only translated. The Bank does not undertake trading in Derivatives. Internal Control guidelines and accounting policies are framed and approved by the Board. The Bank has put systems in place for mitigating the risk arising out of derivative deals. The Bank follows the accrual method for accounting the transactions arising out of derivative deals.

xvi. Details of number of Zonal/Regional offices, Branch offices as on March 31, 2025 is given below:

-  127 BOs
-  15 Regional Offices



Head Office at Lucknow
Offices at Mumbai, New Delhi & Chennai

As on March 31, 2025

Map not to scale. For illustrative purposes only.

- xvii. Total fees paid to the Statutory Auditors (M/s J. Kala & Associates) during FY2025 was ₹38,95,788.40/-. The Statutory Auditor of SIDBI is not an Auditor to any of its subsidiary. Total fees paid by the subsidiary company to their respective statutory auditor are provided in the table below.

Sr. No.	Name of the Subsidiaries	Name of the Statutory Auditor	Total Fees Paid
1	MUDRA	D. Kothary & Company	₹3,50,000/-
2	SVCL	Hinesh R. Doshi & Co. LLP	₹1,60,000 + out-of-pocket expenses of ₹10,000 + 18% GST
3	STCL	Bhushan Khot & Co.	₹75,000 + out-of-pocket expenses of ₹5,000 + 18% GST
4	SIDBI Swavalamban Foundation	M/s. Dewan P. N. Chopra & Co. (DPNCC)*	NA (Proposed remuneration- ₹70,000 p.a.)

*Note: The appointment of DPNCC for FY2025 is under consideration of Board.

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

Number of complaints filed during the financial year : Nil

Number of complaints disposed of during the financial year : Nil

Number of complaints pending as on end of the financial year : Nil

- xix. Details of material subsidiaries of SIDBI; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

(₹ in crore)

Particulars	FY2025		FY2024	
	Total Income	Networth	Total Income	Networth
SIDBI (Consolidated)	40,753	35,472	34,232	31,188
10% of total income / Net-worth	4,075.3	3,547.2	3,423.2	3,118.8

Material Listed Subsidiaries – No Listed Subsidiary

Material unlisted Subsidiary

Name of Subsidiaries	Total Income / Networth	Exceeds 10% Yes/No	Total Income / Networth	Exceeds 10% Yes/No	Material Subsidiary Yes/No
MUDRA	2,272.98/ 4,835.75	Yes	2,317.59/ 4,052.71	Yes	Yes
SVCL	12.7/53.8	No	13.33/52.23	No	No
STCL	0.84/10.1	No	0.94/9.55	No	No

MUDRA is material subsidiary of SIDBI which was incorporated at Mumbai on March 18, 2015, as wholly-owned subsidiary of SIDBI. Statutory auditor of MUDRA is D. Kothary & Co.

- xx. SIDBI has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V to the extent that the requirements of the regulation do not violate the provisions of SIDBI Act, 1989, and regulations made thereunder, save and except as indicated in the Secretarial Audit and Secretarial Compliance Report. Management explained that compliance in FY2025 was applicable on a "comply or explain" basis and will become mandatory from 01 April 2025. Further, SIDBI complied with the directions and guidelines issued by the Reserve Bank of India.
- xxi. The Board of Directors of SIDBI has accepted recommendations of various committees of the board, which are mandatorily required, during FY2025. The Corporate Governance approach of SIDBI is inclusive in nature and the opinion of the members of the Board and external experts is duly recognised and included in the Board Decisions.

7. ADDRESS FOR CORRESPONDENCE:

Registered Office: SIDBI Tower, 15, Ashok Marg, Lucknow - 226001, Uttar Pradesh.

Corporate Office: SIDBI, Swavalamban Bhavan, C-11, G-Block, Bandra-Kurla Complex, Bandra East, Mumbai 400051, Maharashtra.

8. DECLARATION OF CHAIRMAN AND MANAGING DIRECTOR

I hereby declare that members of the Board of Directors and senior management have affirmed compliance with the code of conduct of Board of Directors and senior management for Financial Year 2025.

Manoj Mittal

Chairman & Managing Director