

An Analysis of Corporate Governance of selected Indian Banks

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ABSTRACT

Corporate governance plays very important role in the development of economy. It provides path for leading success in the organisation. It is one of the parameter along with Financial Statements that helps investors to judge the performance of the entity. Banks are the base of the economy of any country. It helps people in circulating money in the economy. There is need of strong corporate governance compliance culture in Bank. This paper analyses the status of corporate governance variables of selected Indian Bank during five years period commencing from FY2016-17 to FY2020-21. It reviews Corporate Governance variables like Board Diversity, efficiency of directors through their participation in the Board Meetings, CSR Compliance, Sexual Harassment Complaints, Fraud reported, Penalty and Stricture imposed by regulators, Investor Complaints, Customer Complaints, etc. This paper will help in understanding the compliance culture of Banks specifically in above areas of corporate governance. There is further scope of detailed study in compliance area like CSR Policy of the entity, Preventions of Sexual Harassment policy, Fraud detection and prevention strategy of Bank, etc.

Keywords: *Corporate Governance, Banks, Diversity, Board of Directors, Compliance Culture, CSR Compliance, Fraud, Sexual Harassment, Penalty*

INTRODUCTION

Corporate governance is the system, procedure, guidelines and framework for governing the organization. It starts even before formation of the company i.e. at the stage of planning and setting up of the unit, in the form of Management decision and developing strategy / plan for the company. It lasts beyond the company cease to exist as it leaves long impact on the society for its deed. It involves various factors like Management, Financial, Transparency, Accountability, etc. to judge whether company is well governed and where the company is stand.

Bank are playing crucial role in running our economy. They are the base for circulating money in financial system. Banking in India is majorly run by Public Sector and Private Sector Banks. They are governed under various regulations like Companies Act, 2013, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, Banking Regulation Act. Government of India controls the Public Sector Bank due to their major stake holding in PSB while RBI monitors Banks in India.

Corporate Governance in Bank is utmost important due to their nature of business. Bank requires diverse and talented pool of management to run it smoothly. It is people's money which is handled by Bank. Hence, corporate governance plays very important role in Banks.

RESEARCH METHODOLOGY

For the purpose of study, we have taken limited corporate governance variables i.e. Board Diversity, Status of shareholders complaints, position of physical shareholders, sexual harassment, CSR spending, Gender diversity, customer complaint, fraud reporting, penalty and strictures imposed and attendance of directors in board meeting. We have analyzed five years data from FY2016-17 to FY2020-21 of top 10 Banks based on market capitalization as of 31.03.2021 from Annual Report / Business Responsibility Report of the Bank and Website of Stock Exchanges. These Banks include five public sector banks and five private sector Bank. Public sector banks covered are State Bank of India (SBI), Punjab National Bank (PNB), Bank of Baroda (BOB), Indian Overseas Bank (IOB) and Canara Bank (Canara). Five private sector banks include HDFC Bank (HDFC), ICICI Bank (ICICI), Kotak Mahindra Bank (Kotak), Axis Bank (Axis) and IndusInd Bank (IndusInd). We have taken historical data based on facts and figures available to find out the present level of corporate governance compliance culture of the Bank.

OBJECTIVE

To assess the corporate governance compliance culture of Banks in the area of Board Diversity, Status of shareholders complaints, position of physical shareholders, sexual harassment, CSR spending, Gender diversity, customer complaint, fraud reporting, penalty and strictures imposed and attendance of directors in board meeting.

ANALYSIS OF CORPORATE GOVERNANCE:

1. Board Diversity:

Board Diversity refers to the involvement of different category of directors in composition of Board of Directors. There are various categories of directors that plays an important role in decision making of an entity, it includes Executive / Whole Time Directors, Non-Executive Directors, Independent Directors, Women Directors, Nominee Directors.

While SEBI and Companies Act emphasize on role of Independent Director in composition of Board of Directors of the entity, it also emphasize the role of Women Director in diversity of Board.

Role of Board Diversity in Corporate Governance:

Corporate Governance is the governance of the organization through their stakeholders and management. Stakeholders indirectly holds interest in the Company while Board Member directly execute the plan for achieving success for the company. Having diverse Board Members help the company to achieve desired result with care and efficiency. Independent Directors are the core in decision making in Board Meeting. It represents interest of stakeholders. Women Director are also important as they represent gender diversity which is also a part of sustainable development. Hence, Board diversity helps in climbing success ladder to the organization with mindful decision and expertise knowledge.

Based on the analysis of top 5 Public Sector Bank and top 5 Private Sector Bank, it is found as follows:

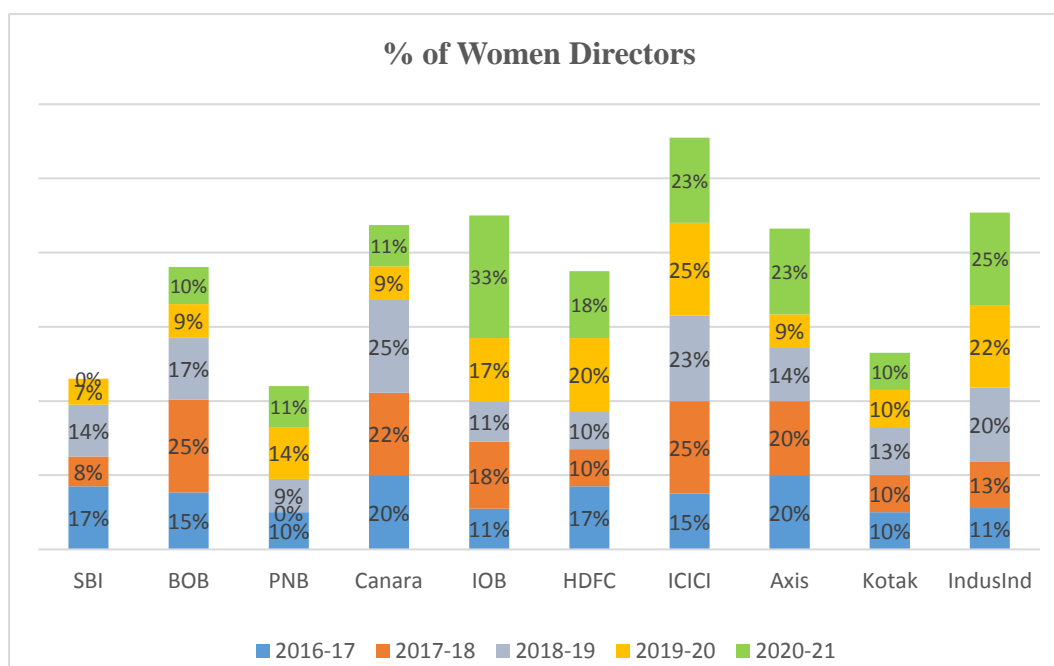
a) Women Directors:

Women Director on the Board represents Gender Diversity at Top Management of the Bank. It is observed that Banking Sector is not very much to Women Director at the Top Level as majority of the Bank had only 1-2 Women Directors on the Board in total Board of Directors strength. SEBI (LODR) Regulations, prescribes minimum one woman director on the Board.

It was also found that-

- ICICI Bank has the highest ratio of Women Directors on the Board during FY2017 to FY2021 compared to other peers.
- PNB has the lowest percentage of Women Director on the Board.
- SBI and PNB had no Women Director on the Board during FY2020-21 and FY2017-18 respectively.

Chart – 1

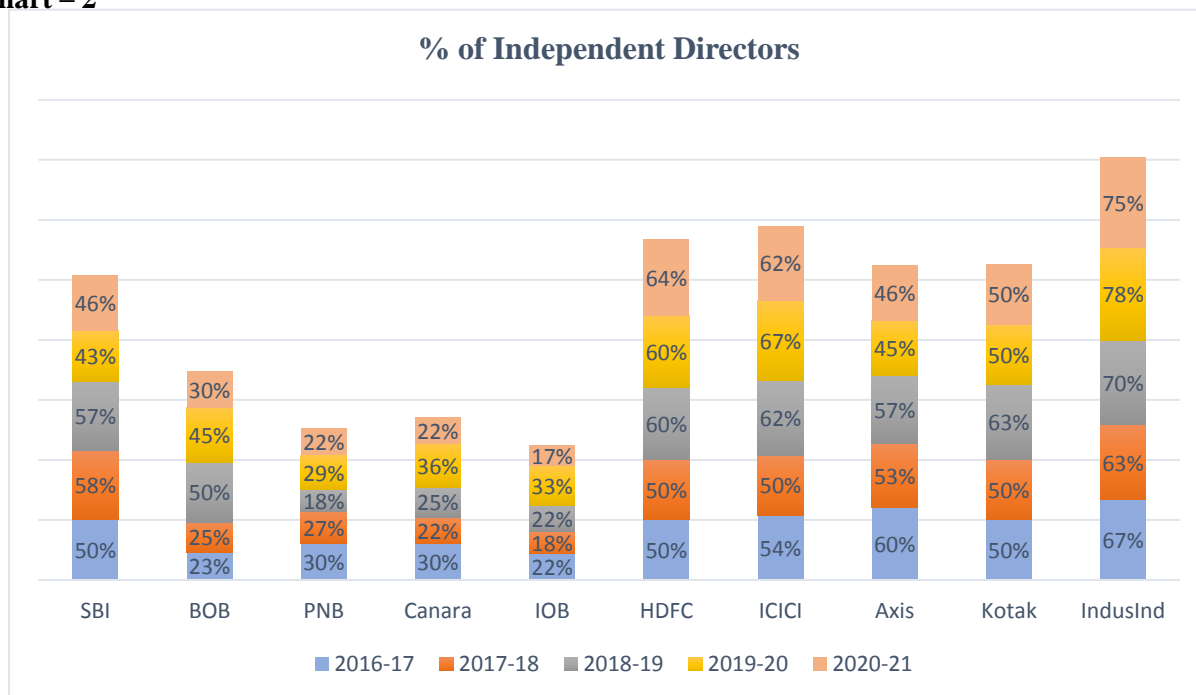


b) Independent Directors:

Independent Director on the Board is appointed for the purpose of Independent decision making and providing expert knowledge to the organization. They helps in smooth decision making and providing valuable inputs to the Board of Directors. SEBI (LODR) Regulations, prescribes that at least one-third of the board of directors should comprise of independent directors. It was also found that

- IndusInd Bank has the highest percentage of Independent Directors during FY2017 to FY2021 on the Board compare to other peers.
- IOB has the lowest percentage of Women Director on the Board.
- Public Sector Bank is having low number of Independent Director compared to their Private Peer.

Chart – 2

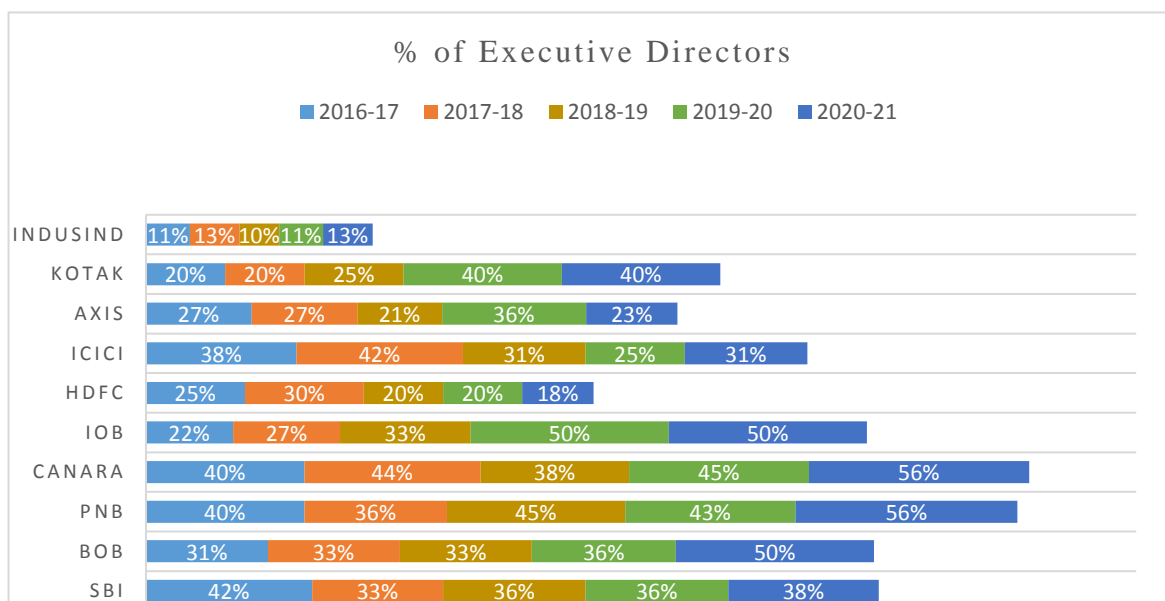


c) Executive Directors:

Executive Director are responsible for managing day to day function of the Board. They are full time member of the Board. All Imported decision are routed through them for placing with Board of Directors. Larger the organization, more number of Executive Directors are required to manage the routine and important business. It was also found that

- Canara Bank has the highest percentage of Executive Directors during FY2017 to FY2021 on the Board compare to other peers.
- IndusInd Bank has the lowest percentage of Executive Directors on the Board.
- Private Sector Bank is having low number of Executive Directors compared to their Public Peer.

Chart – 3



Issues observed:

- Government of India appoints Directors on Board of Public Sector Bank. Every Public Sector Banks are required to appoint at least 12-16 directors on the Board depending on their eligibility criteria for number of directors appointment. However, many positions like workmen director, employee director, CA director are vacant in major PSBs.
- Private Sector Bank are more open to attract the talent pool from the market due to attractive benefits and perks compared to their public sector peer.
- Due to less no. of directors on Board, other directors in PSB may face
- Based on data, it shows that all Banks are very less open to Women Directors in top position. Major Banks have appointed women director at regulatory level only and not beyond that.

Suggestions:

- Uniform rule for all listed entity related to appointment and selection of directors may help to have a common structure of Board and will reduce decision burden on small no. of directors.
- Government should provide flexibility to Bank for deciding remuneration of director for appointment talented pool from the market.
- Regulator should raise the ceiling of minimum women director from one to three to have gender diversity on board.

Table -1: Position of Directors during FY2017-FY2021 in Banks

SBI

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	12	12	14	14	13
Executive Directors	5	4	5	5	5
% of Executive Directors	42%	33%	36%	36%	38%
Non - Executive Directors	7	8	9	9	8
% of Non - Executive Directors	58%	67%	64%	64%	62%
Independent Directors (Non – Executive Directors)	6	7	8	6	6
% of Independent Directors (Non – Executive Directors)	50%	58%	57%	43%	46%
No. of Women Director	2	1	2	1	0
% of Women Director	17%	8%	14%	7%	0%

BOB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	13	12	12	11	10
Executive Directors	4	4	4	4	5
% of Executive Directors	30.77%	33.33%	33.33%	36.36%	50.00%

Non - Executive Directors	9	8	8	7	5
% of Non - Executive Directors	69.23%	66.67%	66.67%	63.64%	50.00%
Independent Directors (Non – Executive Directors)	3	3	6	5	3
% of Independent Directors (Non – Executive Directors)	23.08%	25.00%	50.00%	45.45%	30.00%
No. of Women Director	2	3	2	1	1
% of Women Director	15.38%	25.00%	16.67%	9.09%	10.00%

PNB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	10	11	11	7	9
Executive Directors	4	4	5	3	5
% of Executive Directors	40%	36%	45%	43%	56%
Non - Executive Directors	6	7	5	4	4
% of Non - Executive Directors	60%	64%	45%	57%	44%
Independent Directors (Non – Executive Directors)	3	3	2	2	2
% of Independent Directors (Non – Executive Directors)	30%	27%	18%	29%	22%
No. of Women Director	1	0	1	1	1
% of Women Director	10%	0%	9%	14%	11%

Canara

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	10	9	8	11	9
Executive Directors	4	4	3	5	5
% of Executive Directors	40.00%	44.44%	37.50%	45.45%	55.56%
Non - Executive Directors	6	5	5	6	4
% of Non - Executive Directors	60.00%	55.56%	62.50%	54.55%	44.44%
Independent Directors (Non – Executive Directors)	3	2	2	4	2
% of Independent Directors (Non – Executive Directors)	30.00%	22.22%	25.00%	36.36%	22.22%
No. of Women Director	2	2	2	1	1
% of Women Director	20.00%	22.22%	25.00%	9.09%	11.11%

IOB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	9	11	9	6	6
Executive Directors	2	3	3	3	3
% of Executive Directors	22%	27%	33%	50%	50%
Non - Executive Directors	7	8	6	3	3
% of Non - Executive Directors	78%	73%	67%	50%	50%
Independent Directors (Non – Executive Directors)	2	2	2	2	1
% of Independent Directors (Non – Executive Directors)	22%	18%	22%	33%	17%
No. of Women Director	1	2	1	1	2
% of Women Director	11%	18%	11%	17%	33%

HDFC

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	12	10	10	10	11
Executive Directors	3	3	2	2	2
% of Executive Directors	25%	30%	20%	20%	18%
Non - Executive Directors	9	7	8	8	9
% of Non - Executive Directors	75%	70%	80%	80%	82%
Independent Directors (Non – Executive Directors)	6	5	6	6	7
% of Independent Directors (Non – Executive Directors)	50%	50%	60%	60%	64%
No. of Women Director	2	1	1	2	2
% of Women Director	17%	10%	10%	20%	18%

ICICI

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	13	12	13	12	13
Executive Directors	5	5	4	3	4
% of Executive Directors	38%	42%	31%	25%	31%
Non - Executive Directors	8	7	9	9	9
% of Non - Executive Directors	62%	58%	69%	75%	69%
Independent Directors (Non – Executive Directors)	7	6	8	8	8

%Independent Directors (Non – Executive Directors)	54%	50%	62%	67%	62%
No. of Women Director	2	3	3	3	3
% of Women Director	15%	25%	23%	25%	23%

AXIS

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	15	15	14	11	13
Executive Directors	4	4	3	4	3
% of Executive Directors	26.67%	26.67%	21.43%	36.36%	23.08%
Non - Executive Directors	11	11	11	7	10
% of Non - Executive Directors	73.33%	73.33%	78.57%	63.64%	76.92%
Independent Directors (Non – Executive Directors)	9	8	8	5	6
%Independent Directors (Non – Executive Directors)	60.00%	53.33%	57.14%	45.45%	46.15%
No. of Women Director	3	3	2	1	3
% of Women Director	20.00%	20.00%	14.29%	9.09%	23.08%

KOTAK

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	10	10	8	10	10
Executive Directors	2	2	2	4	4
% of Executive Directors	20%	20%	25%	40%	40%
Non - Executive Directors	8	8	6	6	6
% of Non - Executive Directors	80%	80%	75%	60%	60%
Independent Directors (Non – Executive Directors)	5	5	5	5	5
%Independent Directors (Non – Executive Directors)	50%	50%	63%	50%	50%
No. of Women Director	1	1	1	1	1
% of Women Director	10%	10%	13%	10%	10%

INDUSIND

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total Directors	9	8	10	9	8
Executive Directors	1	1	1	1	1

% of Executive Directors	11.11%	12.50%	10.00%	11.11%	12.50%
Non - Executive Directors	8	7	9	8	7
% of Non - Executive Directors	88.89%	87.50%	90.00%	88.89%	87.50%
Independent Directors (Non – Executive Directors)	6	5	7	7	6
%Independent Directors (Non – Executive Directors)	66.67%	62.50%	70.00%	77.78%	75.00%
No. of Women Director	1	1	2	2	2
% of Women Director	11.11%	12.50%	20.00%	22.22%	25.00%

2. Shareholders Complaints:

Shareholders are the main stakeholders of the Company. They are the real owner of the Company who invests their money in form of capital in the business. Board of Directors are responsible to the Shareholders for Company’ management. There are various types of shareholders i.e. Corporates, FII, FPI, Resident Individuals, Non Resident, Institutional Investors, etc. Mechanism and disclosure of Shareholders complaints are governed under SEBI (LODR) Regulations.

Role of Shareholders Complaints in Corporate Governance:

Shareholders are the capital investor of the Company. They invest capital in the form of equity, which helps company to run the business smoothly and achieve its targets. Governance of the organization is possible if it has enough Man (i.e. Management / Employee), Fund (i.e. Capital) and End user (i.e. Customers). Shareholder’s view / complaints should be addressed / redressed by management in time. Non redressal of grievances may also attract the penalty from the regulators and may create negative image of the company in the market. Shareholder’s complaint can be reduced by developing as system for providing timely and effective support to them for their query.

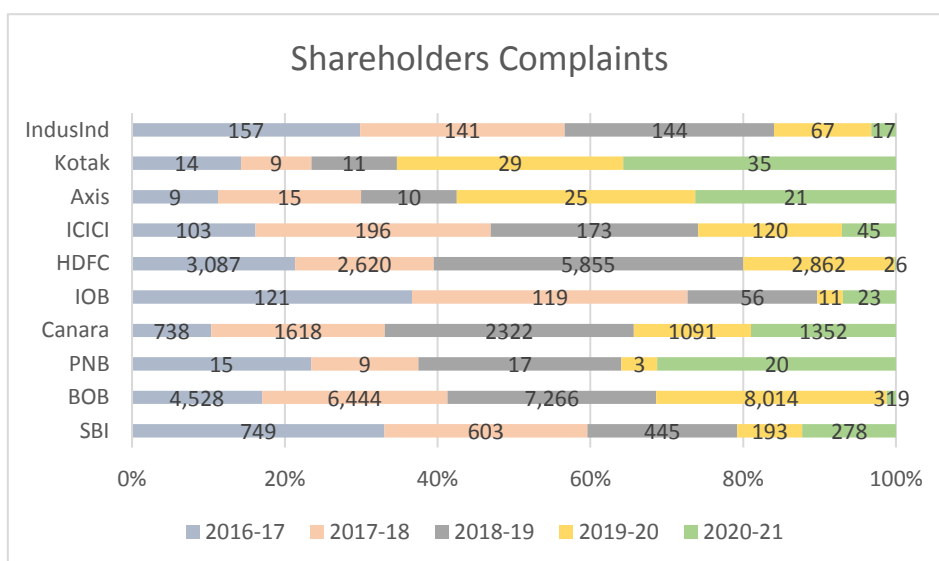
Shareholders complaints includes majorly complaints from physical shareholders for transmission, deletion of name, demat request, dividend related queries. However, Banks are not disclosing details of these complaints in Annual Report.

On analyzing the shareholders grievances reported by the Bank, it was found following-

- BOB has the highest number of shareholders grievances compares to other Banks followed by HDFC Bank and Canara Bank.
- Highest number of complaints received during a period is 8,014 complaints in Bank of Baroda during FY2018-19.
- PNB had the lowest no. of shareholders grievances followed by Axis Bank and Kotak Mahindra Bank.

- SBI is having highest number of shareholders amongst all Banks in India followed by HDFC Bank and PNB.

Chart - 4



Issues observed:

- What consist of shareholders complaints are not defined and disclosed in Annual Report of the Bank.
- It is observed that shareholder’s request takes form of complaint when it is not properly resolved by Bank. It shows lack of proper system / mechanism for resolution of shareholders complaint.
- Bank usually resolve complaints of shareholders through their Registrar and Share Transfer Agent (RTA). We have very few RTAs in the market for large no. shareholders of all listed entities. Thus, RTAs are overburden by shareholder’s complaints which may also result in timely attending and resolution of the complaints.
- There is lack of disclosure of proper escalation matrix in case of non-resolution of the complaints.

Suggestions:

- Listed entity should disclose types of shareholder’s complaints they are receiving in Annual Report.
- Shareholders Complaint redressal policy should be framed incorporating mechanism / system / escalation matrix for timely complaint redressal.
- Proper awareness / disclosure in newspaper / website / stock exchanges should be made to shareholders for approaching their complaint to the entity.

Table -2: Position of Shareholders Complaints during FY2017-FY2021 in Banks

SBI

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	749	603	445	193	278

% Increase / Decrease in Complaints	-	-19.49%	-26.20%	-56.63%	44.04%
Total Share holders	15,63,380	16,18,856	15,04,373	25,25,912	27,87,479

BOB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	4,528	6,444	7,266	8,014	319
% Increase / Decrease in Complaints	-	42.31%	12.76%	10.29%	-96.02%
Total Share holders	3,06,622	3,39,586	3,80,199	9,11,089	11,97,154

PNB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	15	9	17	3	20
% Increase / Decrease in Complaints	-	-40.00%	88.89%	-82.35%	566.67%
Total Share holders	3,67,730	4,80,078	6,66,124	7,98,224	14,20,721

Canara

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	738	1618	2322	1091	1352
% Increase / Decrease in Complaints	-	119.24%	43.51%	-53.01%	23.92%
Total Share holders	1,64,670	1,53,150	1,92,937	2,30,595	5,76,072

IOB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	121	119	56	11	23
% Increase / Decrease in Complaints	-	-1.65%	-52.94%	-80.36%	109.09%
Total Share holders	2,54,396	2,55,541	2,77,982	2,77,955	3,86,162

HDFC

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	3,087	2,620	5,855	2,862	26
% Increase / Decrease in Complaints	-	-15.13%	123.47%	-51.12%	-99.09%
Total Share holders	4,81,983	5,32,368	6,18,595	13,49,474	14,43,193

ICICI

Year	2016-17	2017-18	2018-19	2019-20	2020-21
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No. of Shareholders Complaint received	103	196	173	120	45
% Increase / Decrease in Complaints	-	90.29%	-11.73%	-30.64%	-62.50%

AXIS

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	9	15	10	25	21
% Increase / Decrease in Complaints	-	66.67%	-33.33%	150.00%	-16.00%
Total Share holders	4,48,287	3,53,122	3,46,042	5,77,426	6,39,051

KOTAK

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	14	9	11	29	35
% Increase / Decrease in Complaints	-	-35.71%	22.22%	163.64%	20.69%

INDUSIND

Year	2016-17	2017-18	2018-19	2019-20	2020-21
No. of Shareholders Complaint received	157	141	144	67	17
% Increase / Decrease in Complaints	-	-10.19%	2.13%	-53.47%	-74.63%

3. Physical Shareholders:

Physical shareholders are shareholders who holds company's shares in physical form instead of holding the same in demat account. Earlier shares were issued in physical form to the investors. However, with the implementation of Demat Accounts, now a days shares are issued in demat form only. Regulators are also emphasizing on conversion of physical securities to demat. Physical shareholding may create following major problems to the company and shareholder:

1. Major Physical shareholders do not have their PAN/Address/Email ID / Bank accounts are registered in their folio. Because of this they do not get dividend / company's benefit / company's communication on time.
2. Major addresses are even not traceable as they are NRI / moved. Hence, they do not get any physical letter / correspondence also.
3. Company sends physical bulky annual report to these shareholders, which create negative environmental impact due to usage of paper in large quantity.
4. Shareholder are prohibited in selling of their physical shares until they dematerialise it. Hence, they could not be able to sell their physical shares.

Role of Physical Shareholders in Corporate Governance:

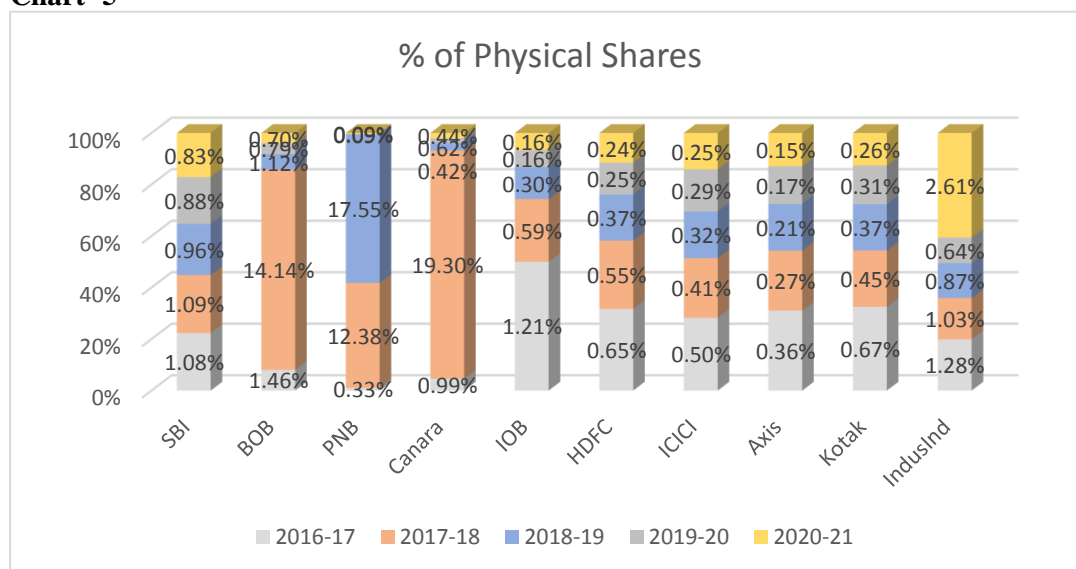
Physical shareholders are also important to the company. However, they may increase compliance cost

and grievances of shareholders. As company has to send physical documents to them, it is required to spend large sum of money in preparation and printing of physical annual report. Further, majority of the shareholders grievances to the company are from Physical shareholders as it involves complaints related to transmission of shares, deletion of name, KYC updating, etc. Hence, physical shareholders role in corporate governance is significant.

On analyzing the ration of physical shares in company's total outstanding shares, it was found following:

- Canara Bank, PNB and BOB had highest number of physical shares during FY2017-18. However, it was for a year due to capital infusion by Government of India, for which shares temporarily allotted in physical form.
- SBI has the highest number of physical shares amongst all Bank followed by BOB and IOB.
- In Private Sector, ICICI has the higher number of physical shares followed by HDFC.

Chart -5



Issued observed:

- Lack of proper awareness / education about benefit of conversion of physical shareholding to demat.
- Non traceability of shareholders who have shifted to out of country or moved to other location.
- Non availability of PAN and other KYC details in folio of physical shareholders.

Suggestions:

- Physical Shareholder should be traced through their dividend payee banks.
- Regulator should made it mandatory to convert physical holding to demat and freezing of folio in case of non-conversion.
- Awareness / education programmer should be conducted region / city wise for making aware shareholders about benefits of demat conversion.

Table -3: Position of Physical Shares and Shareholders during FY2017-FY2021 in Banks**SBI**

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	8.59	9.74	8.59	7.69	7.41
Demat Shares (in crores)	788.76	882.72	883.88	884.77	885.05
Total Shares (in crores)	797.35	892.46	892.46	892.46	892.46
% of Physical Shares	1.08%	1.09%	0.96%	0.88%	0.83%
Physical Share holders	1,72,637	2,29,120	2,05,721	1,87,094	1,81,057
Demat Share holders	13,90,743	13,89,736	12,98,652	23,38,818	26,06,422
Total Share holders	15,63,380	16,18,856	15,04,373	25,25,912	27,87,479
% of Physical Shareholders	11.04%	14.15%	13.67%	7.41%	6.50%

BOB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	3.37	37.40	2.97	3.64	3.60
Demat Shares (in crores)	227.04	227.15	261.58	458.41	513.54
Total Shares (in crores)	230.42	264.55	264.55	462.06	517.14
% of Physical Shares	1.46%	14.14%	1.12%	0.79%	0.70%
Physical Share holders	43,678	42,242	38,616	1,26,677	1,26,001
Demat Share holders	2,62,944	2,97,344	3,41,583	7,84,412	10,71,153
Total Share holders	3,06,622	3,39,586	3,80,199	9,11,089	11,97,154
% of Physical Shareholders	14.24%	12.44%	10.16%	13.90%	10.53%

PNB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Share holders	8,724	8,329	7,665	7,246	33,926
Demat Share holders	3,59,006	4,71,749	6,58,459	7,90,978	13,86,759
Total Share holders	3,67,730	4,80,078	6,66,124	7,98,224	14,20,721
% of Physical Shareholders	2.37%	1.73%	1.15%	0.91%	2.39%
Physical Shares (in crores)	0.70	34.17	80.82	0.58	0.92
Demat Shares (in crores)	212.10	241.89	379.58	673.17	1,046.85
Total Shares (in crores)	212.80	276.06	460.40	673.76	1,047.77
% of Physical Shares	0.33%	12.38%	17.55%	0.09%	0.09%

Canara

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	0.59	14.15	0.47	0.43	0.72

Demat Shares (in crores)	59.14	59.18	74.86	102.59	163.96
Total Shares (in crores)	59.73	73.32	75.32	103.02	164.67
% of Physical Shares	0.99%	19.30%	0.62%	0.42%	0.44%
Physical Share holders	25,480	24,201	20,627	19,121	1,14,387
Demat Share holders	1,39,190	1,28,949	1,72,310	2,11,474	4,61,685
Total Share holders	1,64,670	1,53,150	1,92,937	2,30,595	5,76,072
% of Physical Shareholders	15.47%	15.80%	10.69%	8.29%	19.86%

IOB

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	2.96	2.90	2.74	2.66	2.65
Demat Shares (in crores)	242.50	486.18	911.42	1,641.03	1,641.10
Total Shares (in crores)	245.46	489.08	914.16	1,643.69	1,643.70
% of Physical Shares	1.21%	0.59%	0.30%	0.16%	0.16%
Physical Share holders	88,515	86,934	82,929	80,924	80,654
Demat Share holders	1,65,881	1,68,607	1,95,053	1,97,031	3,05,508
Total Share holders	2,54,396	2,55,541	2,77,982	2,77,955	3,86,162
% of Physical Shareholders	34.79%	34.02%	29.83%	29.11%	20.89%

HDFC

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Share holders	61,081	51,109	39,112	26,133	24,621
Demat Share holders	4,20,902	4,81,259	5,79,483	13,23,341	14,18,572
Total Share holders	4,81,983	5,32,368	6,18,595	13,49,474	14,43,193
% of Physical Shareholders	12.67%	9.60%	6.32%	1.94%	1.71%
Physical Shares (in crores)	1.67	1.42	1.00	1.39	1.31
Demat Shares (in crores)	254.58	258.09	271.33	546.93	549.97
Total Shares (in crores)	256.25	259.51	272.33	548.33	551.28
% of Physical Shares	0.65%	0.55%	0.37%	0.25%	0.24%

ICICI

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	2.91	2.61	2.08	1.89	1.76
Demat Shares (in crores)	579.54	640.19	642.54	645.39	689.84
Total Shares (in crores)	582.45	642.80	644.62	647.28	691.60
% of Physical Shares	0.50%	0.41%	0.32%	0.29%	0.25%

AXIS

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	0.85	0.69	0.55	0.48	0.45
Demat Shares (in crores)	238.65	255.97	256.61	281.69	305.92
Total Shares (in crores)	239.50	256.65	257.16	282.17	306.37
% of Physical Shares	0.36%	0.27%	0.21%	0.17%	0.15%
Physical Share holders	8,946	7,515	6,045	5,168	4,928
Demat Share holders	4,39,341	3,45,607	3,39,997	5,72,258	6,34,123
Total Share holders	4,48,287	3,53,122	3,46,042	5,77,426	6,39,051
% of Physical Shareholders	2.00%	2.13%	1.75%	0.90%	0.77%

KOTAK

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	1.22	0.87	0.71	0.59	0.52
Demat Shares (in crores)	182.86	189.70	190.17	190.72	197.67
Total Shares (in crores)	184.09	190.56	190.88	191.30	198.18
% of Physical Shares	0.67%	0.45%	0.37%	0.31%	0.26%

INDUSIND

Year	2016-17	2017-18	2018-19	2019-20	2020-21
Physical Shares (in crores)	0.76	0.62	0.53	0.44	2.02
Demat Shares (in crores)	59.05	59.41	59.74	68.91	75.32
Total Shares (in crores)	59.81	60.02	60.27	69.35	77.34
% of Physical Shares	1.28%	1.03%	0.87%	0.64%	2.61%

4. Sexual Harassment:

Companies Act and SEBI has made mandatory to disclosure sexual harassment related complaints in Annual Report of the listed entity. Every company should have policy for prevention of sexual harassment at workplace and every employee should made aware about this policy. Work environment should be safe for women. As more and more women are rising at top level of the organization, management should provide more concern to women safety.

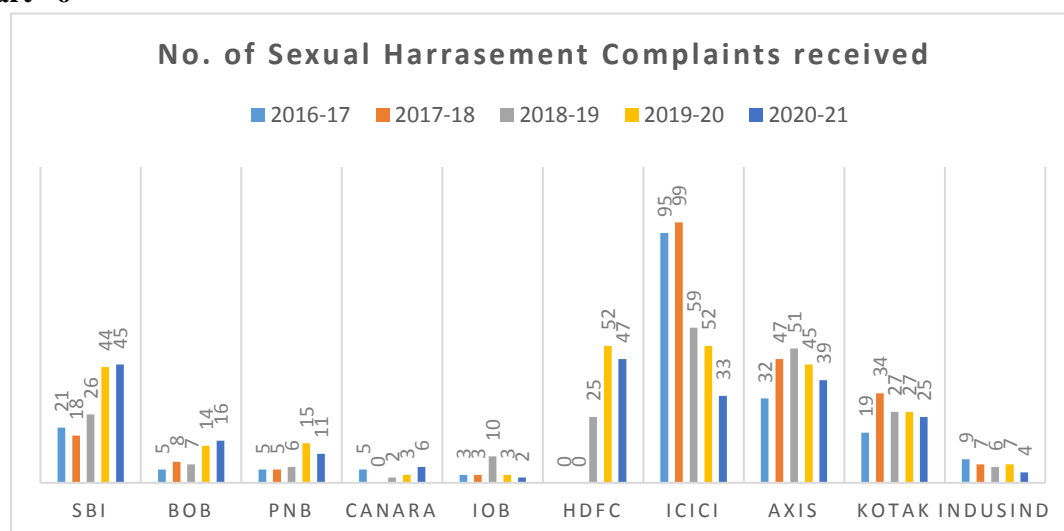
Role of Sexual Harassment in Corporate Governance:

Women have equal role to play in organization compared to Men. While working in organization they should be protected against any unfavorable conduct from their peer / supervisor. Women are human capital of the company who provides important contribution in decision making based on their intellectual skills. Regulator also mandated role of women in top management. More women friendly the organization is, the better sustainable and governed it is.

On analyzing the sexual harassment complaint, it was found following:

- ICICI Bank has the highest number of sexual harassment related complaints. It was 99 during FY2017-18.
- Canara Bank has the lowest sexual harassment related complaints followed by IOB.
- Private Banks have higher number of sexual related complaints than public sector banks.
- In public sector bank, SBI has the highest no. of sexual harassment complaints.

Chart - 6



Suggestions:

- Bank should adopt Prevention of Sexual Harassment policy and awareness about it should be provided to staff on regular basis.
- Prevention of Sexual Harassment committee should be formed and punitive action should be taken who violate POSH guidelines.

Table -4: Position of Sexual Harassment Complaints during FY2017-FY2021 in Banks

(No. of Complaints received during the year)

Bank	2016-17	2017-18	2018-19	2019-20	2020-21
SBI	21	18	26	44	45
BOB	5	8	7	14	16
PNB	5	5	6	15	11
Canara	5	0	2	3	6
IOB	3	3	10	3	2
HDFC	Not Disclosed	Not Disclosed	25	52	47
ICICI	95	99	59	52	33
AXIS	32	47	51	45	39
KOTAK	19	34	27	27	25
INDUSIND	9	7	6	7	4

5. Corporate Social Responsibility (CSR):

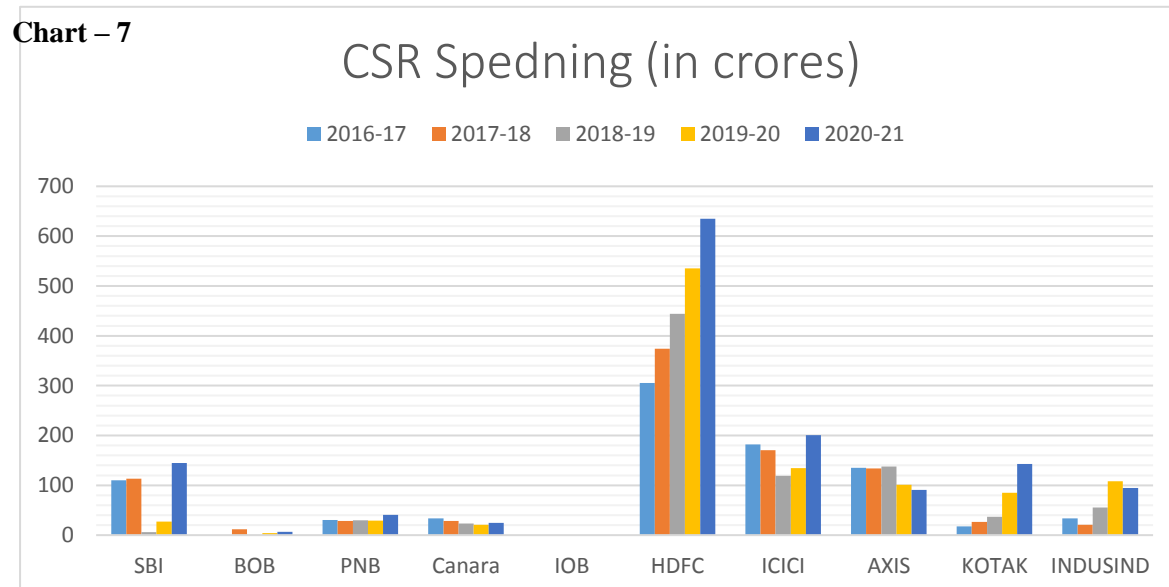
Corporate Social Responsibility is accountability of the company towards society and environment. Company generates profit from the society using resources, CSR is the giving back to the society from company's earning. Companies Act mandated company to spend 2% of their average profit during last three years on every year for CSR purpose. Public Sector Banks are required to spend 1% of their last year profit on every year for CSR purpose.

Role of Corporate Social Responsibility in Corporate Governance:

Corporate Social Responsibility is part of governance. It is the responsibility of the Company towards society. Society includes People and Environment. It is older version of Environment, Social and Governance (ESG) Framework. Society helps company to achieve their goal and objectives, in turn company spends some amount of their profit for good cause of the society.

On analyzing the CSR spending, it was found following:

- HDFC Bank is spending highest amount for CSR compared to other peer Banks.
- IOB has not spent any amount on CSR during FY2017-FY2021. It was due to loss during five years.
- Private Sector Banks are spending more amount on CSR than Public Sector Bank.
- Majority of the Banks stick around to the regulatory limit for CSR spending.
- Public Sector Banks are not covered under Companies Act Rule and hence spending very few / nil amount on CSR.



Issued observed:

- Both private sector bank and public sector bank have different guidelines for spending of amount on CSR and CSR disclosure. There is no uniform guidelines issued by regulator that brings all listed entity under a roof.

- Bank’s CSR spending amount is stick to the regulatory cut off i.e. 2%/1% and not above that. It means corporates are spending on CSR to meet the regulatory guidelines only.
- Detailed CSR spending disclosures are missing in Annual Report.

Suggestions:

- Uniform Regulation should be framed for CSR spending by listed entity.
- Detailed CSR spending disclosure including amount spent on each CSR activity should be made for awareness of the stakeholders.
- Amount of CSR spending should be raised to 5% of average last three years of annual turnover, to increase the scope of CSR activity.
- Government may increase reporting and monitoring of CSR activities by company.

Table -4: Position of CSR Spending by Banks during FY2017-FY2021

(Rs. In crore)

Year	2016-17	2017-18	2018-19	2019-20	2020-21
SBI	109.82	112.96	6.24	27.47	144.88
BOB	0	11.91	0.05	4.33	6.90
PNB	30.41	28.62	29.54	29.21	40.38
Canara	33.68	28.53	23.62	20.49	24.70
IOB	0	0	0	0	0
HDFC	305.42	374	444	535	634.91
ICICI	182	170.38	118.96	134.35	200.50
AXIS	135.39	133.77	137.89	100.96	90.93
KOTAK	17.33	26.40	36.55	85.20	142.99
INDUSIND	33.81	20.47	55.46	108.15	94.72

6. Gender Diversity

Gender Diversity refers to space available to women in working culture. Equal opportunity for Men and Women is the motto of Gender Diversity. Gender diversity is one of the goal of sustainability given by United Nations.

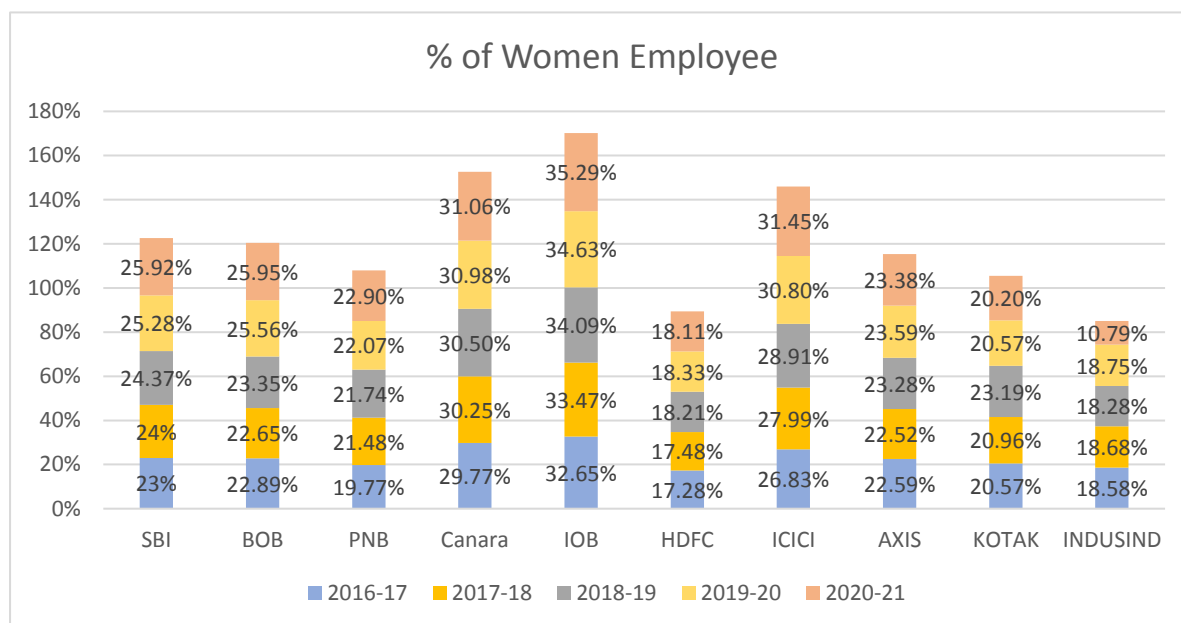
Role of Gender Diversity in Corporate Governance:

Women also plays important role in driving forces of the organization. Their role is growing day by day in organization from employee to director. They play important role for policy making, objective achievement, business decision. Thus, women are part of the good corporate governance culture.

On analyzing the ratio of women employee in Bank, it was found following:

- IOB has the highest no. of women employees followed by Canara Bank.
- IndusInd Bank has the lowest no. of women employees compare to other Banks followed by HDFC Bank.
- More women are employed by Pubic Sector Bank than Private Sector Bank.

Chart - 8



Suggestions:

- Currently women employment in Banks are around 20-25%. It should be increased to around 30-35% as more women talent are available in the market with increase in higher education level among girl students.
- Government should formulate policy for women employment prescribing minimum percentage of their presence in total workforce.

Table -5 : Percentage of Women Employees in Banks during FY2017-FY2021

Year	2016-17	2017-18	2018-19	2019-20	2020-21
SBI	23%	24%	24.37%	25.28%	25.92%
BOB	22.89%	22.65%	23.35%	25.56%	25.95%
PNB	19.77%	21.48%	21.74%	22.07%	22.90%
Canara	29.77%	30.25%	30.50%	30.98%	31.06%
IOB	32.65%	33.47%	34.09%	34.63%	35.29%
HDFC	17.28%	17.48%	18.21%	18.33%	18.11%
ICICI	26.83%	27.99%	28.91%	30.80%	31.45%
AXIS	22.59%	22.52%	23.28%	23.59%	23.38%
KOTAK	20.57%	20.96%	23.19%	20.57%	20.20%
INDUSIND	18.58%	18.68%	18.28%	18.75%	10.79%

7. Customer Complaints

Customers are the user of the company's products / services. They drive the growth of the company.

Customer satisfaction results through providing better / good quality service / products by the Bank. In Banking service, due to huge presence of customers, it is important for Bank to provide their product and service to the customer that match their need / demand. When customer is not satisfied with Bank's service, it results into complaints from the customers.

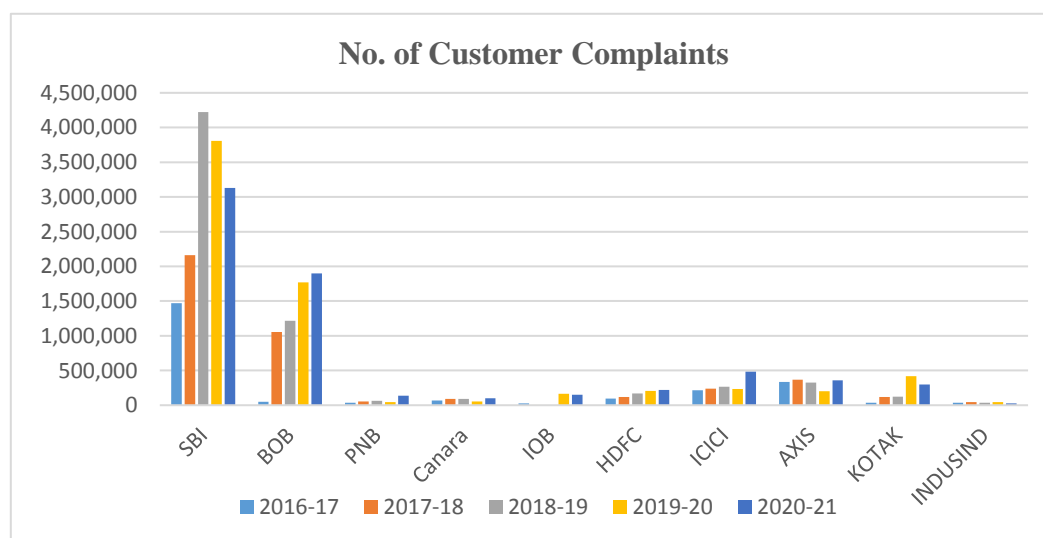
Role of Gender Diversity in Corporate Governance:

Customer is one of the pillar of the governance structure of the company. Management frames policy and takes important decision, shareholders invest in company while customer uses the services provided by the Bank and helps shareholders and company to get return and function it smoothly. Customer complaints reflects the service satisfactory ratio of the entity. Higher the complaints, higher the chance that there is lack of satisfactory service by the Bank.

On analyzing the number of customer complaints in Bank, it was found following:

- SBI has the highest number of customer complaints amongst all 10 Banks followed by Bank of Baroda.
- Private Sector Banks are having less number of customer complaints compared to their peer Public Sector Banks.
- IOB is having lowest number of customer complaints.

Chart – 9



Suggestions:

- Bank should develop efficient systems and procedures for handling and resolution of Customer Complaints.
- Major complaints are related to services. Bank should organise customer meet at branch level on fortnight basis to address the issues faced by the customers.
- Proper customer contact point and complaint escalation matrix should be displayed at Branch and on website of the Bank.

Table -6: Position of Customer Complaints in Banks during FY2017-FY2021

Year	2016-17	2017-18	2018-19	2019-20	2020-21
SBI	14,68,471	21,59,700	42,21,491	38,08,400	31,31,509
BOB	48,504	10,56,041	12,14,864	17,71,923	18,99,415
PNB	35,474	53,016	62,539	44,399	1,37,262
Canara	66,977	93,276	93,100	53,873	1,01,944
IOB	27,357	5,603	5,441	1,66,745	1,51,084
HDFC	96,454	1,20,439	1,69,846	2,05,458	2,20,565
ICICI	217,473	237,343	264,726	234,812	482,213
AXIS	3,37,673	3,68,424	3,25,172	2,00,484	3,60,342
KOTAK	36,273	117,678	125,514	4,17,114	297,272
INDUSIND	36,978	46,223	35,314	46,248	26,642

8. Fraud Reported

Bank is required to report all frauds to Reserve Bank of India. Fraud cases reporting involves any fraud related to Misappropriation and criminal breach of trust, Fraudulent encashment through forged instruments, manipulation of books of account or through fictitious accounts and conversion of property, unauthorized credit facilities extended for reward or for illegal gratification, Cash shortages, Cheating and forgery, Fraudulent transactions involving foreign exchange, any other type of fraud (Source: RBI Website)

Role of Banking Fraud in Corporate Governance:

Basic reasons for any fraud are lack of compliance by Banks, intention of the customer, ineffective monitoring of the accounts, misuse of authority, etc. Bank having weak compliance / governance framework, have higher chances of fraud happening than Bank having strong and effective compliance framework. Fraud eradicate Bank's capital and create negative reputation of the Bank in the market with penal action from regulators. Thus, it impact negatively to the Bank's governance system.

On analyzing the no. of fraud and amount of fraud reported to RBI Bank, it was found following:

- HDFC Bank has the highest number of fraud cases.
- SBI has the most amount of fraud amount reported.
- Canara Bank has not disclosed fraud related information in their Annual Report.
- Amount of frauds reported are higher in Public Sector Bank than Private Sector Bank.
- No. of frauds reported are higher in Private Sector Bank compare to Public Sector Bank

Chart - 10

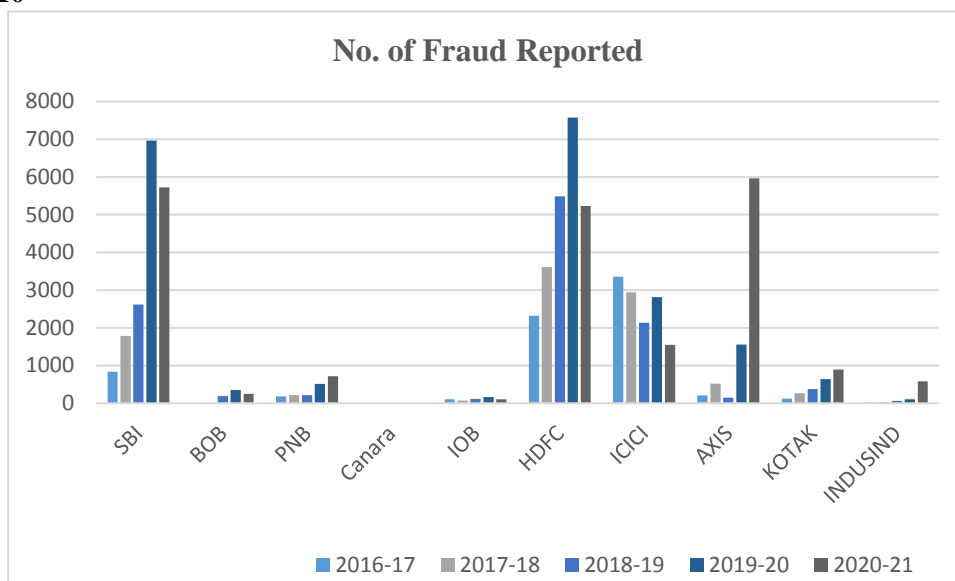
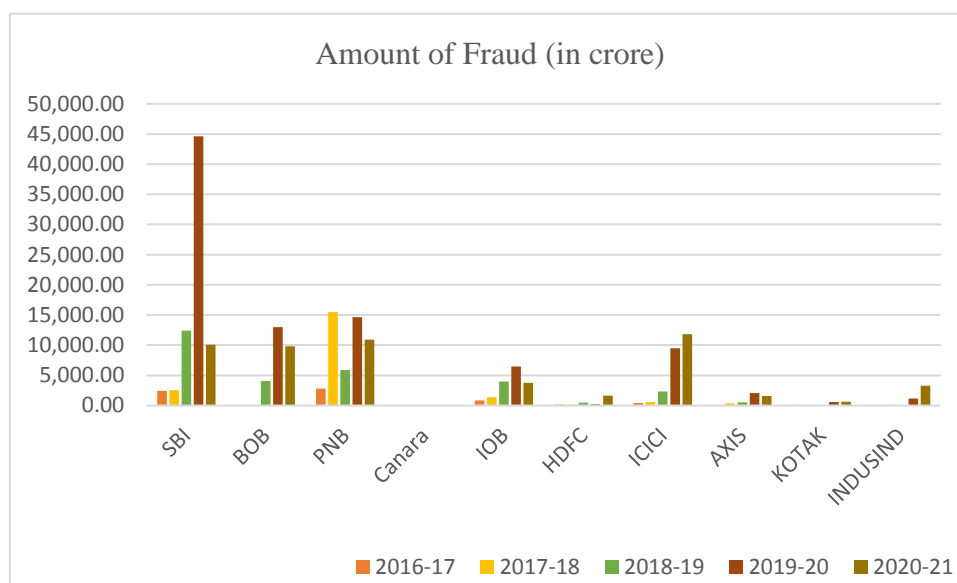


Chart -11



Suggestions:

- Bank may develop effective check and approve mechanism in the system to prevent any unauthorised entry.
- Training and Education should be provided to staff for detecting any suspicious activities leading to fraud in the account.
- Bank should have strong IT system in place that prevent any Data breach / fraud related incidents.

Table -7: Fraud Reporting by Banks during FY2017-FY2021

Year	2016-17		2017-18		2018-19		2019-20		2020-21	
	No. of frauds reported	Amount involved in fraud (Rs. in crore)	No. of frauds reported	Amount involved in fraud (Rs. in crore)	No. of frauds reported	Amount involved in fraud (Rs. in crore)	No. of frauds reported	Amount involved in fraud (Rs. in crore)	No. of frauds reported	Amount involved in fraud (Rs. in crore)
SBI	837	2,424.74	1,789	2,532.24	2,616	12,387.13	6,964	44,622.45	5,724	10,085.92
BOB	Not Disclosed				191	4,099.66	350	12,971.14	248	9,796.31
PNB	185	2,809.31	213	15,501.65	216	5,903.19	509	14,633.27	714	10,947.51
Canara	Not Disclosed									
IOB	106	850.45	74	1,372.90	115	3,957.08	165	6,492.53	105	3,738.90
HDFC	2,319	165.20	3,612	146.55	5,484	498.44	7,580	222.60	5,232	1,640.80
ICICI	3,359	421.07	2,938	589.57	2,131	2,316.52	2,817	9,472.87	1,549	11,838.64
AXIS	205	72.92	521	353.97	145	529.04	1,554	2,055.62	5,959	1,579.67
KOTAK	126	111.54	268	56.73	376	14.10	643	579.60	894	656.44
INDUSIND	24	1.90	32	118.19	66	14.33	103	1,158.61	583	3,307.77

9. Penalty and Strictures imposed by RBI and SEBI

Serious Non-compliance of regulatory provisions attract the legal action / penalty by RBI/SEBI/Stock Exchanges on the Bank. Regulators are being more vigilant with the time. Major non-compliance observed were related to non-adherence to KYC AML / SWIFT / Currency chest guidelines, non-compliance of provision of SEBI (LODR) Regulations. There are instance where foreign regulators have also imposed fine on the Bank for Banks like SBI, BOB. Stock Exchanges / RBI have also issued warning letter / strictures to certain banks where Bank have violated important provisions of guidelines issued by them.

Role of Regulatory action in Corporate Governance:

Any Regulatory action like penalty / caution notice / strictures results in reputational as well as financial loss to the Bank. Bank not adhering to the prescribed guidelines have to face scrutiny from the regulators. Hence, again this issue is related to strong compliance and governance culture. It is better to prevent any non-compliance rather than to face its impact on the Bank.

Suggestions:

- Bank should adopt system driven compliance structure to avoid any penalty by regulators.
- Compliance framework should be strengthened.
- Vertical Head should be assigned responsibility to effectively monitoring and reporting compliance confirmation to higher authorities.

Summary of penalties / strictures FY2017-FY2021:

Sr. No.	Bank	Total penalty paid during FY2017-2021 (Rs in crore)	Total No. of incidents – Penalty (FY2017-2021)	Total No. of incidents - Strictures / warning letter issued (FY2017-2021)
1	SBI	15.94	9	-
2	BOB	45.34	11	-
3	PNB	31.42	10	2
4	Canara	12.43	4	-
5	IOB	9.15	7	-
6	HDFC	15.3	7	2
7	ICICI	63.82	4	-
8	Axis	5.25	4	8
9	Kotak	2.25	3	-
10	IndusInd	10.5	4	-

Following are the details of Penalty and Strictures imposed on the Banks during FY2017-FY2021:

SBI

1. Central Bank of Oman levied penalty of **Rs. 0.13 crore (Omani Riyal 8000)** on Muscat branch for non compliance to some of the provisions of Banking Law 2000 & circulars of Central Bank of Oman. **(FY2016-17)**
2. Monetary Authority of Singapore (MAS) levied a penalty of **Rs. 2.99 crore (Singapore Dollar 6,00,000)** on Singapore branch for breach of section 27 B (2) of the MAS Act. **(FY2017-18)**
3. Reserve Bank of India levied a penalty of **Rs. 0.40 crore** on the Bank for non-compliance with the directions issued by RBI on detection and impounding of counterfeit notes. The Enforcement Directorate (ED) had served two show cause notices during the year 2011 to Ashok Nagar Branch of erstwhile State Bank of Travancore (e-SBT) (now merged with the Bank) with respect to alleged irregularities committed in respect of forex remittances made during the period March, 2009 and August, 2010. During the period under review, the Adjudicating Authority had imposed a penalty of Rs. 7,00,00,000/- (Rupees Seven crore Only) on the Bank for alleged irregularity in terms of Section 13(1) of the FEMA Act, 1999. **(FY2018-19)**
4. Reserve Bank of India has imposed a penalty of **Rs. 1.00 crore** on the Bank for not monitoring the end use of funds in respect of one of its borrowers. **(FY2018-19)**
5. Reserve Bank of India has imposed a penalty of **Rs. 1.00 crore** on the Bank for non-compliance with the directions issued by RBI on the SWIFT related operational controls. **(FY2018-19)**
6. The Central Bank of Bahrain (CBB) has imposed a penalty of **Rs. 0.92 crore (BHD 50,000)** on Bahrain Branches for non-compliance of USD Parity stipulations in 5 deals. The Bank has filed an

appeal before Central Bank of Bahrain and the final decision from CBB is still awaited. **(FY2018-19)**

7. Reserve Bank of India has imposed an aggregate penalty of **Rs. 7.00 crore** on the Bank for non-compliance of directions issued by RBI on Income Recognition and Asset Classification (IRAC) norms etc. **(FY2019-20)**
8. Reserve Bank of India has imposed a penalty of **Rs. 0.50 crore** on the Bank for non-compliance with its directions relating to reporting of frauds. **(FY2019-20)**
9. Reserve Bank of India has imposed an aggregate penalty of **Rs. 2.00 crore** on the Bank on payment of remuneration to employees in the form of commission. **(FY2020-21)**

BOB

1. Penalty of **Rs 5.00 crore** was levied by Reserve Bank of India for FEMA violations related to Import of Goods & Services. **(FY2016-17)**
2. Penalty of **Rs, 0.41 crore** was levied by RBI for forged/soiled notes in currency chest. **(FY2016-17)**
3. Total penalties of **Rs. 0.72 crore** were levied on overseas territories by their respective regulator for various non-compliances. **(FY2016-17)**
4. Penalties of **Rs. 7.12 crore** (93 cases) were imposed by RBI on account of irregularities in currency chest. **(FY2017-18)**
5. Total penalties of **Rs. 5.87 crore** were levied on overseas territories by their respective regulator for various non-compliances. **(FY2017-18)**
6. Penalties of **Rs. 5.25 crore** (125 cases) were imposed by RBI on account of irregularities in currency chest. **(FY2018-19)**
7. Total penalties of **Rs. 0.49 crore** were levied on overseas territories by their respective regulator for various non-compliances. **(FY2018-19)**
8. Penalties of **Rs. 5.92 crore** (127 cases) were imposed by RBI on account of irregularities in currency chest. **(FY2019-20)**
9. Total penalties of **Rs. 0.18 crore** were levied on overseas territories by their respective regulator for various non-compliances. **(FY2019-20)**
10. Penalties of **Rs. 1.40 crore** (222 cases) were imposed by RBI on account of irregularities in currency chest. **(FY2020-21)**
11. Total penalties of **Rs. 13.70 crore** were levied on overseas territories by their respective regulator for various non-compliances. **(FY2020-21)**

PNB

1. RBI has imposed a penalty of **Rs. 3.00 crore** on Bank in exercise of powers conferred under Section 47(1) (c) read with Section 46(4) (i) of the Banking Regulation Act 1949. **(FY2016-17)**
2. RBI has imposed a penalty of **Rs. 0.01 crore** on Bank for bouncing SGL Securities. **(FY2016-17)**

3. RBI has imposed a penalty of **Rs. 1.00 crore** on Bank for observance of noncompliance with various directions issued by RBI on monitoring of end use of funds, exchange of information with other banks and on restructuring of accounts. **(FY2018-19)**
4. RBI has imposed a penalty of **Rs. 2.00 crore** on Bank for observance of non-compliances with directions related to implementation of SWIFT related operational controls. **(FY2018-19)**
5. A warning letter on the subject: Warning letter- Violation of certain provisions of SEBI (LODR) Regulations, 2015 (SEBI LODR Regulations) was issued by SEBI regarding disclosures made in respect of Nirav Modi Group, Gitanjali Group and others. In the letter SEBI had warned and advised to be cautious in future in respect of compliances of SEBI LODR Regulations. **(FY2018-19)**
6. NSE had requested the Bank to take abundant precaution in future with respect to any intimation required under Regulation 30 of SEBI (LODR) Regulations 2015. **(FY2018-19)**
7. NSE and BSE had imposed a fine of **Rs. 10,000** on Bank under Regulation 29(2) and (3) of SEBI (LODR) Regulations, 2015 for not giving prior intimation to stock exchange regarding the meeting of the Board of Directors held to consider the proposal of raising of fund by the Bank. The same has been duly paid by the Bank. **(FY2019-20)**
8. RBI has imposed a Penalty of **Rs. 0.50 crore** on Bank for observance of noncompliance with various directions issued by RBI on “Know Your Customer (KYC) norms / Anti Money Laundering (AML) Standards” and Opening of Current Account” by the Bank. **(FY2019-20)**
9. RBI has imposed a penalty of **Rs. 0.50 crore** on Bank for non-compliance with certain provisions of “Reserve bank of India (Frauds classification and reporting by commercial banks and select FIs) directions 2016”. **(FY2019-20)**
10. Financial Intelligence Unit, Ministry of Finance has levied penalty of **Rs. 15.62 crore** on the Bank for violations of Prevention of Money- Laundering Act, 2002 read with PMLA Rules, 2005. The Bank has filed an appeal against the order in Appellate Tribunal (PMLA at Delhi) for seeking stay on the order. **(FY2019-20)**
11. RBI has imposed a penalty of **Rs. 1.00 crore** on Bank for operating a bilateral ATM sharing arrangement with Druk PNB Bank Ltd. (DPNBL), Bhutan since April, 2010 without approval / authorization from RBI, in violation of RBI instructions issued vide letter DPSS.CO. PD.No. 74/ 02.10.002/ 2010-11 dated July 8, 2010, wherein bank was advised seek uthorization before implementing this payment system. **(FY2020-21)**
12. Bank has paid a total amount of **Rs. 7.79 crore** towards Regulatory and other operational penalties (including Banking Ombudsman Advisories / Awards, Currency Chest Penalties, orders of Consumer Courts / Lok Adalats etc.). **(FY2020-21)**

Canara

1. During the financial year 2016-17, RBI has imposed of **Rs. 2.00 Crore** in terms of Section 47 (A) (1) (c) read with section 46 (4) (i) of the Banking Regulation Act, 1949 on non – compliance of certain guidelines of the Reserve Bank of India instructions. **(FY2016-17)**

2. Financial Intelligence Unit, India (FIU-IND) has imposed a penalty of **Rs. 0.03 crore** under Section 12 (Rule 2, 3, 5 & 7) & 13 (2) of PML Act, 2002 for failure of internal mechanism of the bank in detecting and reporting attempted suspicious transactions. **(FY2016-17)**
3. RBI has imposed a monetary penalty of **Rs. 2.00 Crore** (Rupees Two Crore Only) on our Bank for non-compliance of RBI's directive regarding "Time bound Implementation and Strengthening of SWIFT - related to operational controls" under Section 46(4) of the Banking Regulation Act, 1949. **(FY2018-19)**
4. Financial Conduct Authority, United Kingdom regulator has imposed penalty on Canara Bank United Kingdom (CBUK) an amount of GBP 896,100 (approx **Rs. 8.40 Crore**) on account of Draft Warning Notice issued on the Bank. Our London Branch has made the payment of GBP 896100 to FCA on 06.06.2018. **(FY2018-19)**

IOB

1. SEBI had imposed a penalty of **Rs.0.02 crore** on Bank under Section 15HB of the SEBI Act 1992. The penalty was imposed due to certain non-compliance and the penalty amount was paid on 12.03.2018. **(FY2017-18)**
2. RBI has imposed penalty of **Rs. 2.00 crore** (Reason not specified) **(FY2017-18)**
3. During the year BSE & NSE have imposed penalty of **Rs.10,000** (Rupees Ten Thousand only) each plus GST for delay in intimating date of Board Meeting. **(FY2018-19)**
4. RBI Penalty has imposed penalty of **Rs. 4.50 crore** (Reason not specified) **(FY2018-19)**
5. The Reserve Bank of India had levied a penalty of **Rs. 2.50 crore** on account of non-compliance of the RBI Master Directions on Frauds – Classification and Reporting by commercial banks and select FIs. **(FY2019-20)**
6. The Financial Intelligence Unit of India, Department of Revenue, Ministry of Finance, Government of India had levied penalty on the Bank of **Rs.0.10 crore** on account of various non-compliances of Section 12 (1)(a) and (b), and Section 12(3) of the Prevention of Money Laundering Act, 2002 read with the Rules made thereunder pertaining to delay in filing of various reports. **(FY2019-20)**
7. Reserve Bank of India on had levied a penalty of **Rs. 0.03 crore** on the Bank on account of contravention of Section 11(3) of The Foreign Exchange Management Act, 1999 pertaining to forward contracts undertaken by the Bank with M/s. Suryadev Alloys & Power Private Limited. **(FY2019-20)**

HDFC

1. RBI has imposed a penalty of **Rs. 2.00 crore** on bank for pendency in receipt of bill of entry relating to advance import remittances made and lapses in adhering to KYC / AML guidelines. **(FY2016-17)**
2. SEBI has issued directions to the Bank ("SEBI Directions") in relation to leakage of unpublished price sensitive information ("UPSI") pertaining to the financial results of the Bank for the quarter

ended December 31, 2015 and the quarter ended June 30, 2017 in various private WhatsApp groups ahead of Bank's official announcement to the relevant stock exchanges. **(FY2017-18)**

3. RBI has imposed a penalty of **Rs. 0.20 crore** on bank for non-compliance with various directions issued by RBI on Know Your Customer (KYC) / Anti-Money Laundering (AML) standards. **(FY2018-19)**
4. RBI has imposed a penalty of **Rs. 1.00 crore** on bank for non-compliance with directions issued by RBI on Know Your Customer (KYC)/ Anti-Money Laundering (AML) Norms and on reporting of frauds. **(FY2019-20)**
5. RBI has imposed a penalty of **Rs. 1.00 crore** on bank for failure to undertake ongoing due diligence in case of 39 current accounts opened for bidding in Initial Public Offer (IPO). **(FY2019-20)**
6. RBI has imposed a penalty of **Rs. 10.00 crore** on bank for marketing and sale of third-party non-financial products to the Bank's auto loan customers, arising from a whistle blower complaint. **(FY2020-21)**
7. RBI has imposed a penalty of **Rs. 0.10 crore** on bank for bouncing of SGL, which lead to shortage of balance in certain securities in the Bank's CSGL account. **(FY2020-21)**
8. SEBI has imposed a penalty of **Rs. 1.00 crore** on the Bank, in the matter of invocation of securities pledged by a corporate entity for availing credit facilities. **(FY2020-21)**
9. Reserve Bank of India (RBI) has issued an Order to HDFC Bank Limited (the "Bank") with regard to certain incidents of outages in the internet banking/ mobile banking/ payment utilities of the Bank over the past 2 years, including the outages in the Bank's internet banking and payment system on November 21, 2020 due to a power failure in the primary data centre. RBI, vide above order, advised the Bank (a) to stop all digital business generating activities planned under its 'Digital 2.0' and proposed Business generating applications digital also imposed restrictions and (b) to stop sourcing of new credit card customers. **(FY2020-21)**

ICICI

1. RBI has imposed a monetary penalty of Rs. 589.0 million (**Rs. 58.90 crore**) on the Bank for non-compliance with directions/guidelines issued by RBI. This penalty has been imposed in exercise of powers vested in RBI under the provisions of Section 47A(1) (c) read with Section 46(4)(i) of the Banking Regulation Act, 1949. **(FY2017-18)**
2. During the year ended March 31, 2018, an overseas regulator imposed a composition sum of Rs. 38.2 million (**Rs. 3.82 crore**) for non-adherence of rules under AML regulations at one of the Bank's overseas branches, resulting from regulatory inspection conducted in 2013 and subsequently, pursuant to consultant's review of records, relating to the period of May 2012 to April 2014. **(FY2017-18)**
3. RBI through an order dated February 25, 2019, imposed a monetary penalty of Rs. 10.0 million (**Rs. 1.00 crore**) on the Bank for delay in compliance with RBI's directives on "Time-bound implementation & strengthening of SWIFT related controls". **(FY2018-19)**

4. SEBI issued an Adjudication Order on September 12, 2019, imposing a penalty of **Rs. 500,000 each** (totalling to Rs. 1.0 million) under Section 15HB of the Securities and Exchange Board of India Act, 1992 and Section 23E of the Securities Contracts (Regulation) Act, 1956 on the Bank for delayed disclosure of an agreement made on May 18, 2010 relating to merger of erstwhile Bank of Rajasthan with the Bank. The Bank has filed an appeal against SEBI's Order with the Securities Appellate Tribunal on October 24, 2019. The matter is still under progress. **(FY2019-20)**

AXIS

1. Warning issued by RBI on 27 July, 2016 for certain lapses in adherence to KYC/AML guidelines on monitoring of transactions in customer accounts and FEMA provisions. **(FY2016-17)**
2. Non-compliance of RBI guidelines on income Recognition and Asset Classification (IRAC) norms. Penalty of **Rs. 3.00 crore** was imposed in terms of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949. **(FY2017-18)**
3. Non-compliance of RBI guidelines related to 'Collection of Account Payee Cheques – Prohibition on Crediting proceeds to Third Party Account' and Master Directions on 'Frauds- Classification and Reporting by commercial banks and select FIs'. Penalty of **Rs. 2.00 crore** was imposed in terms of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949. **(FY2018-19)**
4. Non-compliance of RBI guidelines related to 'Detection and Impounding of Counterfeit Notes' and 'Sorting of Notes – Installation of Note Sorting Machines'. Penalty of **Rs. 0.20 crore** was imposed in terms of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949. **(FY2018-19)**
5. Caution letter issued by RBI on 25 February, 2019 for non-compliance of RBI directives on time bound implementation and strengthening of SWIFT related operational controls. **(FY2018-19)**
6. Penalty of **Rs. 0.05 crore** for bouncing of SGL due to shortage of balance of GOI security in SGL account at the time of settlement at CCIL on 20 November, 2020. **(FY2020-21)**
7. SEBI vide its letter dated 28 April, 2020 issued an administrative warning for not intimating it on appointment of Compliance Officer (Merchant Banking) and that the Compliance Officer did not have the required NISM certification, as observed during the inspection of the Bank as 'Merchant Banker'. The Bank has appointed new Compliance Officer (Merchant Banking) who has the required NISM certification. The same has been informed to SEBI. **(FY2020-21)**
8. SEBI vide its letter dated 28 December, 2020, observed delay in making disclosures by the Bank under the SEBI (Prohibition of Insider Trading) Regulations, 2015 and in this regard has informed the Bank that the matter has been viewed seriously and has warned the Bank to be careful in future to avoid recurrence of such instances and to be more cautious in filing disclosures, failing which action may be initiated in accordance with the provisions of the SEBI Act, 1992 and Rules and Regulations framed thereunder. **(FY2020-21)**
9. SEBI issued a Summary Settlement Notice dated 28 December, 2020 in relation to an alleged default under Regulation 7(2)(b) of the SEBI (Prohibition of Insider Trading), Regulations, 2015.

The Bank without admitting or denying the findings of facts and conclusions of law submitted a settlement application on 29 January, 2021 to SEBI, in accordance with the provisions of the SEBI (Settlement Proceedings) Regulations, 2018 and paid the settlement amount of Rs. 41.43 lacs. Thereafter, SEBI passed a Settlement Order dated 15 February, 2021 (the Settlement Order), consequent to which the proceedings to be initiated for the alleged default was disposed- off and the matter stands settled. **(FY2020-21)**

10. SEBI carried out inspection of the DDP activities of the Bank for the financial year 2018-19 and issued Administrative Warning and Deficiency Letter for contravention with Regulation 31(2)(a), 32(1) of SEBI (FPI) Regulations 2019 and for contravention with para 2.3 of SEBI Circular CIR/IMD/FIIC/09/2014 dated 28 April, 2014. The Bank has submitted its response on 25 February, 2021. **(FY2020-21)**
11. The Bank received a Show Cause Notice from SEBI vide E-mail dated 3 March, 2021, issued under Rule 4 of the SEBI (Procedure for Holding inquiry and imposing penalties) Rules, 1995. As per the Regulation 27 of SEBI (Merchant Bankers) Regulations, 1992, the Merchant Banker is required to submit to SEBI complete particulars of any transaction for acquisition of securities of any body corporate whose issue is being managed by that merchant banker within fifteen days from the date of entering into such transaction. During the review of Debt Capital Market business of the Bank in December, 2019, it was observed that the Bank had inadvertently failed to report transactions as required under Regulation 27 of SEBI (Merchant Bankers) Regulations, 1992. The Bank had submitted response to SCN vide E-mail dated 16 March, 2021. Further, the Bank was granted time till 4 May, 2021 to make additional submissions in the matter at the hearing conducted on 26 April, 2021, through video conference with respect to the Adjudication Proceedings in the above matter. **(FY2020-21)**
12. SEBI carried out inspection of the Custodian activities of the Bank for the financial year 2018-19 and issued Administrative Warning and Deficiency Letter for contravention with clauses 1, 2, 3 and 10 of the Code of Conduct prescribed at Regulation 12 of the SEBI (Custodian) Regulations, 1996. The Bank has submitted its response on 6 April, 2021. **(FY2020-21)**

KOTAK

1. During the year penalty of **Rs. 0.05 Crore** had been imposed by the Reserve Bank of India in terms of the Section 47 A (1) read with Section 46(4)(i) of the Banking Regulation Act, 1949 for non-compliance of certain RBI instructions. **(FY2016-17)**
2. During the year penalty of **Rs. 0.20 crore** had been imposed by the Reserve Bank of India in terms of the Section 47 A (1) read with Section 46(4)(i) of the Banking Regulation Act, 1949 for non-compliance of RBI instructions. **(FY2018-19)**
3. During the year, the Reserve Bank of India has levied a penalty of **Rs. 2.00 crore** on the Bank. The penalty is for failure to comply with the RBI's directions to submit details of the promoter shareholding and the proposed course of action/ plans/strategy by the Bank, and not conveying the

commitment of the Bank for achieving promoter dilution as per the timelines stipulated and Facility for Exchange of Notes and coins at two branches.

INDUSIND

1. RBI has imposed a penalty of **Rs. 2.00 crore** for violation of regulatory directions / instructions / guidelines, among other things on KYC norms, in exercise of powers vested under Section 47(A)(1)(c) read with Section 46(4) of the Banking Regulation Act, 1949. **(FY2016-17)**
2. During the year ended March 31, 2018, RBI imposed a penalty of **Rs. 3.00 crore** for non-adherence to Income Recognition and Asset Classification norms and regulatory restriction pertaining to non-fund based facilities in exercise of powers vested under Section 47(A)(1)(c) read with section 46(4) of the Banking Regulation Act, 1949. **(FY2017-18)**
3. During the year ended March 31, 2019, RBI imposed a penalty of **Rs. 1.00 crore** for non-compliance with direction issued in respect of time-bound implementation and strengthening of SWIFT-related operational controls in exercise of powers vested under Section 47(A)(1)(c) read with section 46(4)(i) of the Banking Regulation Act, 1949. **(FY2018-19)**
4. Reserve Bank of India (RBI) imposed a monetary penalty of **Rs. 4.50 crore** on the Bank in exercise of powers vested under the provisions of section 47A(1)(c) read with section 46(4)(i) of the Banking Regulation Act, 1949, for non-compliance with certain provisions of directions issued by RBI on Exposure Norms, Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances, Supervisory Programme on Assessment of Risk and Capital – Monitoring of Information Submission by Banks, Creation of a Central Repository of Large Common Exposures Across Banks, and Disclosure in Financial Statements- Notes to Accounts. **(FY2020-21)**

10. Participation of Directors in Board Meeting:

Board of Directors comprises of various mix of directors with different expertise / knowledge / skills. Their presence in the Board helps passing of any agenda items with due care and in compliance of regulatory guidelines. They represent interest of stakeholders at large. Composition of Board of Directors consist of Executive Directors, Non-Executive Directors, Independent Directors and Nominee Directors.

Role of Directors Participation in Corporate Governance:

Efficiency of directors in a company are judged by their participation and contribution in the company's meeting. Any critical decisions required output of all the Board members. Hence, their presence in the meeting is equally important. In fact, corporate governance starts with the decision making as board member are the persons who approve the policies / governance structure / risk management framework, etc. of the Company.

On analyzing the attendance details of directors in Board Meeting of Banks during FY2017-2021, it was found following:

- Executive / Independent Directors participations are more in Board Meeting compared to participation by Nominee Directors (GOI / RBI).
- Nominee Directors are appointed by GOI / RBI for participation in decision making as a representative of GOI / RBI. However, their absence in Board Meeting is question on active role of regulators in monitoring and implementation of important Board agenda.
- Absenteeism of directors in Board Meeting prevails both in Public Sector and Private Sector Bank.

Suggestions:

- Government / RBI should mandate their representative on Bank's Board to attend all the meetings except official exigencies, to increase the participation of their nominee in decision making.
- If directors continue to be remained absent in meeting, chairman of the bank should seek justification / clarification from such directors. This practise will help Bank to increase the involvement of directors in decision making.
- Advance notice of Board Meeting should be issued and advance confirmation of attendance in meeting should be received from directors.

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SBI

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Smt.Arundhati Bhattacharya, Chairman	Executive Director, Chairperson	100%	100%	-	-	-
2.	Shri Rajnish Kumar, Chairman	Executive Director, Chairperson	-	100%	100%	100%	100%
3.	Shri Dinesh Kumar Khara, Chairman	Executive Director, Chairperson	-	-	-	-	100%
4.	Shri B. Sriram, MD – CBG	Executive Director, MD	93%	100%	100%	-	-
5.	Shri Rajnish Kumar, MD –NBS	Executive Director, MD	86.7%	100%	-	-	-
6.	Shri P.K.Gupta, MD-C&R	Executive Director, MD	100%	100%	100%	100%	-
7.	Shri V.G. Kannan, MD – A&S	Executive Director, MD	100%	-	-	-	-
8.	Shri Dinesh K. Khara, MD – A&S	Executive Director, MD	100%	92%	93%	100%	100%
9.	Shri Sanjiv Malhotra	Non-Executive - Independent Director	93%	77%	73%	100%	100%
10.	Shri M.D. Mallya	Non-Executive - Independent Director	87%	100%	-	-	-
11.	Shri Sunil Mehta	Non-Executive - Independent Director	100%		-	-	-
12.	Shri Deepak I. Amin	Non-Executive - Independent Director	67%	100%	-	-	-
13.	Shri Tribhuvan Nath Chaturvedi	Non-Executive - Independent Director	50%	-	-	-	-
14.	Dr. Girish K. Ahuja	Non-Executive - Independent Director	53%	54%	40%	77%	-
15.	Dr.Pushendra Rai	Non-Executive - Independent Director	100%	92%	87%	100%	100%
16.	Ms. Anjuly Chib Duggal	Non-Executive - Nominee Director	13.33%	20%	-	-	-
17.	Dr. Urjit R. Patel	Non-Executive - Independent Director	50%		-	-	-
18.	Shri Chandan Sinha	Non-Executive - Independent Director	67%	54%	93%	81%	93%
19.	Shri Bhaskar Pramanik	Non-Executive - Independent Director	-	91%	87%	81%	100%
20.	Shri Basant Seth	Non-Executive - Independent Director	-	91%	93%	100%	100%
21.	Shri Pravin Kutumbe	Non-Executive - Independent Director	-	70%	-	-	-
22.	Dr. Purnima Gupta	Non-Executive - Independent Director	-	100%	80%	100%	100%

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23.	Shri Rajiv Kumar	Non-Executive - Nominee Director	-	0%	7%	0%	
24.	Shri Arijit Basu, MD - CCG&IT	Executive Director, MD	-	-	92%	94%	100%
25.	Smt Anshula Kant - MD - SARC	Executive Director, MD	-	-	100%	86%	-
26.	Shri B. Venugopal	Non-Executive - Independent Director	-	-	38%	75%	100%
27.	Shri Challa Sreenivasulu Setty	Executive Director, MD	-	-	-	100%	100%
28.	Shri Sanjeev Maheshwari	Non-Executive - Independent Director	-	-	-	100%	93%
29.	Shri Ravi Mital	Non-Executive - Nominee Director	-	-	-	20%	-
30.	Shri Debasish Panda	Non-Executive - Nominee Director	-	-	-	25%	57%
31.	Shri Ashwani Bhatia, MD	Executive Director, MD	-	-	-	-	75%
32.	Shri Swaminathan J, MD	Executive Director, MD	-	-	-	-	100%
33.	Shri Ashwini Kumar Tewari, MD	Executive Director, MD	-	-	-	-	100%
34.	Dr. Ganesh Natarajan	Non-Executive - Independent Director, Shareholder Director	-	-	-	-	100%
35.	Shri Ketan S. Vikamsey	Non-Executive - Independent Director, Shareholder Director	-	-	-	-	100%
36.	Shri Mrugank M. Paranjape	Non-Executive - Independent Director, Shareholder Director	-	-	-	-	100%

BOB:

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Ajay Kumar	Non-Executive - Nominee Director	100%	100%	88%	82%	100%
2.	Ashok Kumar Garg	Executive Director	82%	92%	100%	-	-
3.	Bharat Kumar Dangar	Non-Executive - Independent Director, Shareholder Director	100%	100%	94%	100%	100%
4.	Biju Varkkey	Non-Executive - Nominee Director	93%	92%	94%	100%	100%
5.	Gopal Krishan Agarwal	Non-Executive - Non Independent Director	100%	92%	94%	71%	-
6.	Mayank K. Mehta	Executive Director	87%	92%	100%	-	-
7.	Mohammad Mustafa	Non-Executive - Nominee Director	20%	0%	-	-	-
8.	P. S. Jayakumar	Executive Director, CEO-MD	100%	92%	100%	100%	-
9.	Prem Kumar Makkar	Non-Executive - Non Independent Director, Employee Director	93%	100%	-	-	-
10.	R. Narayanaswamy	Non-Executive - Independent Director, Shareholder Director	100%	70%	-	-	-
11.	Ravi Venkatesan	Non-Executive - Non Independent Director, Chairperson	100%	100%	100%	-	-
12.	Papia Sengupta	Executive Director	100%	100%	94%	100%	-
13.	Usha A. Narayanan	Non-Executive - Independent Director, Shareholder Director	100%	100%	92%	-	-
14.	Lok Ranjan	Non-Executive - Nominee Director	-	57%	-	-	-
15.	Soundara Kumar	Non-Executive - Independent Director, Shareholder Director	-	100%	82%	94%	100%
16.	Hasmukh Adhia	Non-Executive - Independent Director, Chairperson	-	-	100%	100%	100%
17.	Shanti Lal Jain	Executive Director	-	-	100%	100%	100%
18.	Vikramaditya Singh Khichi	Executive Director	-	-	100%	100%	93%
19.	Debasish Panda	Non-Executive - Nominee Director	-	-	35%	53%	-
20.	Srinivasan Sridhar	Non-Executive - Independent Director, Shareholder Director	-	-	80%	94%	100%
21.	Sanjiv Chadha	Executive Director, CEO-MD	-	-	-	100%	100%

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22.	Murali Ramaswami	Executive Director	-	-	-	100%	100%
23.	Amit Agrawal	Non-Executive - Nominee Director	-	-	-	100%	67%
24.	Ajay K. Khurana	Executive Director	-	-	-	-	100%
25.	Debadatta Chand	Executive Director	-	-	-	-	100%

PNB

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1	Sh. Sunil Mehta	Non-Executive Chairman	100%	95%	100%	-	-
2	Ms. Usha Ananthasubramanian	MD & CEO	100%	-	-	-	-
3	Sh. K. V. Brahmaji Rao	ED	88%	95%	-	-	-
4	Dr. Ram S. Sangapure	ED	94%	-	-	-	-
5	Sh. Sanjiv Sharan	ED	100%	89%	-	-	-
6	Sh. Anil Kumar Khachi	Non-Executive (Govt. official Director)	85%	-	-	-	-
7	Dr. Rabi N. Mishra	Non-Executive (RBI official Director)	100%	95%	94%	-	-
8	Sh. Mahesh Baboo Gupta	Non-Executive (CA Director)	91%	100%	94%	-	-
9	Ms. Hiroo Mirchandani	Shareholder Director	100%	95%	-	-	-
10	Sh. Sudhir Nayar	Shareholder Director	100%	100%	-	-	-
11	Sh. Sunil Mehta	MD & CEO	-	100%	100%	-	-
12	Sh. L. V. Prabhakar	ED	-	100%	100%	-	-
13	Sh. Ravi Mital	Non-Executive (Govt. official Director)	-	85%	44%	-	-
14	Sh. Sanjay Verma	Shareholder Director	-	100%	94%	86%	-
15	Sh. Agyey Kumar Azad	ED	-	-	100%	100%	100%
16	Dr. Asha Bhandarker	Shareholder Director	-	-	75%	91%	94%
17	Sh. CH. S. S. Mallikarjuna Rao	MD & CEO	-	-	-	100%	100%

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18	Dr. R. K. Yaduvanshi	ED	-	-	-	86%	
19	Sh. Pankaj Jain	Non-Executive (Govt. Nominee Director)	-	-	-	83%	100%
20	Sh. Vivek Aggarwal	Non- Executive (RBI Nominee Director)	-	-	-	82%	100%
21	Sanjay Kumar	ED	-	-	-	-	100%
22	Vijay Dube	ED	-	-	-	-	100%
23	Gautam Guha	Non-Executive Independent (Shareholder Director)	-	-	-	-	100%
24	Swarup Kumar Saha	ED	-	-	-	-	100%

Canara

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Dinabandhu Mohapatra	Executive Director	94%	-	-	-	-
2.	Harideesh Kumar B	Executive Director	94%	-	-	-	-
3.	Krishnamurthy H	Non-Executive - Independent Director, Shareholder Director	100%	100%	100%	-	-
4.	Mahadev Nagendra Rao	Non-Executive - Independent Director, Shareholder Director	100%	-	-	-	-
5.	Rakesh Sharma	Executive Director, CEO-M	100%	100%	-	-	-
6.	Suchindra Misra	Non-Executive - Nominee Director	29%	87%	100%	60%	90%
7.	T N Manoharan	Non-Executive - Nominee Director, Chairperson	100%	100%	100%	100%	-
8.	Venkatachalam Ramakrishna Iyer	Non-Executive - Independent Director, Shareholder Director	91%	100%	100%	100%	100%
9.	P V Bharathi	Executive Director	100%	100%	-	-	-
10.	Uma Shankar	Non-Executive - Nominee Director	71%	47%	0%	-	-
11.	Matam Venkata Rao	Executive Director	-	100%	100%	100%	-
12.	Debashish Mukherjee	Executive Director	-	100%	88%	100%	100%

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13.	A. Manimekhalai	Executive Director	-	-	100%	100%	100%
14.	L V Prabhakar	Executive Director,CEO-MD	-	-	-	100%	100%
15.	R Kesavan	Non-Executive - Nominee Director	-	-	-	79%	100%
16.	S Raghunath	Non-Executive - Independent Director	-	-	-	100%	
17.	Bimal Prasad Sharma	Non-Executive - Independent Director, Shareholder Director	-	-	-	100%	100%
18.	K Satyanarayana Raju	Executive Director	-	-	-	-	100%

IOB

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1	K Raghu	Non-Executive - Non Independent Director	82%	92%	100%	100%	-
2	K Swaminathan	Executive Director	100%	100%	100%	100%	-
3	Niranjana Kumar Agarwal	Non-Executive - Independent Director	73%	100%	-	-	-
4	Nirmal Chand	Non-Executive - Nominee Director - RBI	100%	92%	77%	75%	-
5	R Sampath Kumar	Non-Executive - Non Independent Director	100%	-	-	-	-
6	R Subramaniakumar	Executive Director	100%	100%	100%	100%	-
7	Sanjay Rungta	Non-Executive - Independent Director	87%	100%	92%	100%	100%
8	T C A Ranganathan	Non-Executive - Non Independent Director, Chairperson	100%	100%	100%	100%	-
9	Vishnukumar Bansal	Non-Executive - Non Independent Director	60%	83%	80%	-	-
10	Annie George Mathew	Non-Executive - Nominee Director - GOI	60%	50%	38%	67%	100%
11	Ajay Kumar Srivastava	Executive Director	-	100%	100%	100%	100%
12	Navin Prakash Sinha	Non-Executive - Independent Director, Shareholder Director	-	100%	46%	50%	67%
13	Sivaraman Anant Narayan	Non-Executive - Non Independent Director	-	100%	75%	-	-

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14	Karnam Sekar	Executive Director, Chairperson, CEO-MD	-	-	-	100%	100%
15	Deepak Kumar	Executive - Nominee Director - RBI	-	-	-	100%	100%
16	Partha Pratim Sengupta	Executive Director, Chairperson, CEO-MD	-	-	-	-	100%
17	S Srimathy	Executive Director	-	-	-	-	100%

HDFC

Sr. no.	Name of Member	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Mr. Aditya Puri (Managing Director)	100%	100%	100%	100%	88%
2.	Mr. Paresh Sukthankar (Deputy Managing Director)	100%	88%	-	-	-
3.	Mr. Kaizad Bharucha (Executive Director)	71%	100%	100%	89%	94%
4.	Mr. Keki Mistry – NED	100%	75%	89%	88%	-
5.	Mrs. Renu Karnad - NED	86%	100%	-	100%	100%
6.	Mrs. Shyamala Gopinath (Part-time Non Executive Chairperson) - ID	100%	88%	100%	100%	100%
7.	Mr. Partho Datta - ID	86%	88%	80%	-	-
8.	Mr. Bobby Parikh - ID	100%	88%	100%	-	-
9.	Mr. A. N. Roy - ID	100%	100%	-	-	-
10.	Mr. Malay Patel – ID	100%	100%	100%	100%	100%
11.	Mr. Umesh Chandra Sarangi - ID	100%	100%	100%	100%	100%
12.	Mr. Srikanth Nadhamuni - NED	-	100%	78%	78%	100%
13.	Mr. Sanjiv Sachar - ID*	-	-	100%	100%	100%
14.	Mr. Sandeep Parekh - ID*	-	-	100%	89%	100%
15.	Mr. M. D. Ranganath - ID*	-	-	100%	100%	100%
16.	Mr. Paresh Sukthankar (Deputy Managing Director)*	-	-	86%	-	-
17.	Mr. Sashidhar Jagdishan (Managing Director)	-	-	-	-	100%

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ICICI

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1.	M. K. Sharma	Chairman & Independent Director	100%	100%	100%	-	-
2.	G. C. Chaturvedi	Chairman & Independent Director			100%	100%	100%
3.	Uday Chitale	Independent Director	-	100%	100%	100%	100%
4.	Dileep Choksi	Independent Director	89%	100%	94%	-	-
5.	Hari L. Mundra	Independent Director	-	-	67%	88%	100%
6.	M. D. Mallya	Independent Director	-	-	0%	-	-
7.	Neelam Dhawan	Independent Director	-	67%	78%	100%	100%
8.	Radhakrishnan Nair	Independent Director	-	-	100%	100%	100%
9.	Rama Bijapurkar	Independent Director	-	-	100%	100%	100%
10.	B. Sriram	Independent Director	-	-	100%	100%	100%
11.	S. Madhavan	Independent Director	-	-	-	100%	100%
12.	Homi Khusrookhan	Independent Director	89%	100%	-	-	-
13.	M. S. Ramachandran	Independent Director	100%	100%	-	-	-
14.	Tushaar Shah	Independent Director	67%	46%	50%	-	-
15.	V. K. Sharma	Independent Director	44%	31%	44%	-	-
16.	V. Sridar	Independent Director	89%	91%	-	-	-
17.	Alok Tandon	Government Nominee Director	0%	-	-	-	-
18.	Amit Agrawal	Government Nominee Director	0%	15%	0%	-	-
19.	Lalit Kumar Chandel	Government Nominee Director	-	-	0%	38%	33%
20.	Lok Ranjan	Government Nominee Director	-	-	0%	-	-
21.	Chanda Kochhar	Wholetime / Executive Directors	100%	92%	57%	-	-
22.	N. S. Kannan	Wholetime / Executive Directors	100%	92%	89%	-	-

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23.	K. Ramkumar	Wholetime / Executive Directors	100%	-	-	-	-
24.	Rajiv Sabharwal	Wholetime / Executive Directors	89%	-	-	-	-
25.	Vishakha Mulye	Wholetime / Executive Directors	100%	100%	83%	100%	92%
26.	Vijay Chandok	Wholetime / Executive Directors	100%	92%	94%	100%	-
27.	Anup Bagchi	Wholetime / Executive Directors	-	69%	94%	100%	100%
28.	Sandeep Bakhshi	Wholetime / Executive Directors	-	-	100%	100%	100%
29.	Sandeep Batra	Wholetime / Executive Directors	-	-	-	-	100%

AXIS

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Dr. Sanjiv Misra	Non-Executive - Independent Director, Chairperson	100%	100%	100%	100%	-
2.	Shri B. Babu Rao	Non-Executive - Nominee Director	86%	100%	83%	100%	100%
3.	Smt. Usha Sangwan	Non-Executive - Nominee Director	57%	67%	58%	50%	-
4.	V.R. Kaundinya	Non-Executive - Independent Director	100%	67%	-	-	-
5.	Prasad Menon	Non-Executive - Independent Director	100%	100%	100%	-	-
6.	Samir Barua	Non-Executive - Independent Director	100%	100%	100%	100%	-
7.	Som Mittal	Non-Executive - Independent Director	100%	78%	92%	83%	-
8.	Rohit Bhagat	Non-Executive - Independent Director	86%	100%	75%	90%	100%
9.	S. Vishvanathan	Non-Executive - Independent Director	100%	89%	100%	100%	100%
10.	Rakesh Makhija	Non-Executive - Independent Director	100%	100%	100%	100%	100%
11.	Ketaki Bhagwati	Non-Executive - Independent Director	100%	100%	83%	100%	100%
12.	Shikha Sharma	Executive Director	100%	100%	89%	-	-
13.	V. Srinivasan	Executive Director	100%	100%	78%	-	-

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14.	Rajiv Anand	Executive Director	100%	100%	83%	90%	100%
15.	Rajesh Dahiya	Executive Director	100%	100%	92%	90%	100%
16.	Stephen Pagliuca	Non-Executive - Nominee Director	-	100%	83%	90%	100%
17.	Amitabh Chaudhry	Executive Director,CEO-MD	-	-	100%	100%	100%
18.	Girish Paranjpe	Non-Executive - Independent Director	-	-	100%	100%	100%
19.	Pralay Mondal	Executive Director	-	-	-	100%	100%
20.	Ashish Kotecha	Non-Executive - Nominee Director	-	-	-	-	100%
21.	Vasantha Govindan	Non-Executive - Nominee Director	-	-	-	-	100%
22.	Tharavanat Chandrasekharan Suseelkumar	Non-Executive - Nominee Director	-	-	-	-	86%
23.	Meena Ganesh	Non-Executive - Independent Director	-	-	-	-	100%
24.	Gopalaraman Padmanabhan	Non-Executive - Independent Director	-	-	-	-	100%

KOTAK

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1.	Dr. Shankar Acharya	Non-Executive - Non Independent Director, Chairperson	100%	88%	100%	-	-
2.	Mr. Uday Kotak	Executive Director	100%	100%	100%	100%	100%
3.	Mr. C. Jayaram	Non-Executive - Non Independent Director	100%	75%	88%	83%	100%
4.	Mr. Dipak Gupta	Executive Director	100%	100%	88%	100%	100%
5.	Mr. Asim Ghosh	Non - Executive Director,Independent Director	0.0%	-	-	-	-
6.	Mr. Prakash Apte	Non-Executive - Independent Director	100%	100%	88%	100%	100%
7.	Mr. Amit Desai	Non-Executive - Independent Director	57%	63%	100%	-	-
8.	Mr. N. P. Sarda	Non-Executive - Non Independent Director	100%	-	-	-	-
9.	Prof. S. Mahendra Dev	Non-Executive - Independent Director	100%	88%	100%	100%	100%

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10.	Ms. Farida Khambata	Non-Executive - Independent Director	86%	63%	88%	92%	100%
11.	Mr. Mark Newman	Non-Executive - Non Independent Director	86%	63%	71%	-	-
12.	Mr. Uday Khanna	Non-Executive - Non Independent Director	100%	88%	75%	100%	100%
13.	Mr. K.V.S Manian	Executive Director	-	-	-	100%	100%
14.	Mr. Gaurang Shah	Executive Director	-	-	-	100%	100%
15.	Mr. Uday Shankar	Non-Executive - Independent Director	-	-	-	75%	79%
16.	Dr. Ashok Gulati	Non-Executive - Independent Director	-	-	-	-	100%

INUDSIND

Sr. no.	Name of Member	Designation	2016-17	2017-18	2018-19	2019-20	2020-21
1.	R. Seshasayee	Non-Executive - Independent Director, Chairperson, Shareholder Director	89%	90%	92%	100%	-
2.	Kanchan Chitale	Non-Executive - Independent Director, Shareholder Director	100%	100%	100%	100%	-
3.	Vijay Vaid	Non-Executive - Independent Director, Shareholder Director	100%	89%		-	-
4.	Ranbir S. Butola	Non-Executive - Independent Director, Shareholder Director	100%	90%	22%	-	-
5.	T. Anantha Narayanan	Non-Executive - Independent Director, Shareholder Director	100%	90%	100%	-	-
6.	Yashodhan Kale	Non-Executive - Non Independent Director, Shareholder Director	100%	100%	100%	-	-
7.	Shanker Annaswamy	Non-Executive - Independent Director, Shareholder Director	100%	100%	100%	100%	100%
8.	T.T. Ram Mohan	Non-Executive - Independent Director, Shareholder Director	100%	100%	92%	78%	100%
9.	Romesh Sobti	Executive Director, CEO-MD	100%	100%	92%	100%	
10.	Akila Krishnakumar	Non-Executive - Independent Director	-	-	83%	89%	95%
11.	Arun Tiwari	Non-Executive - Independent Director	-	-	83%	100%	100%
12.	Siraj Chaudhry	Non-Executive - Independent Director	-	-	100%	100%	
13.	Rajiv Agarwal	Non-Executive - Independent Director	-	-	100%	89%	100%

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14.	Sanjay Asher	Non-Executive - Independent Director	-	-	-	75%	74%
15.	Sanjeev Asthana	Non-Executive - Independent Director	-	-	-	0%	100%
16.	Bhavna Doshi	Non-Executive - Independent Director	-	-	-	-	89%
17.	Sumant Kathpalia	Executive Director	-	-	-	-	95%

LIMITATION

Study is conducted based on the historical data available on respective Bank's Website, Stock Exchange's Website, Bank's Annual Report, Bank's Business Responsibility Report and other trusted sources. Researcher explored all the possible trusted public documents available about the Bank to find out correct conclusion about any figure / facts. However, due to limitation of availability the source of data, some data which are private and confidential to Bank could not be collected, which may add value to the current research.

CONCLUSION

From the analysis of corporate governance variables i.e. Board Diversity, efficiency of directors through their participation in the Board Meetings, CSR Compliance, Sexual Harassment Complaints, Fraud reported, Penalty and Stricture imposed by regulators, Investor Complaints, Customer Complaints, etc., it can be concluded that present compliance culture of the Banks need improvement. Instead of having multiple compliance and regulators, there is need of uniform compliance policy and guidelines and single regulator for Banking Industry. Banks need to develop system and procedures for dealing with shareholders grievances and large number of customer complaints. Bank also need to develop strong compliance culture to be more preventive rather than facing the negative action by regulators in form of penalty/stricture. There is need of attention by regulators for increasing women strength in top management and in employment of the Bank. Banks are losing very large amount of capital in frauds by customers. Banks have to pay special attention to effective customer due diligence and monitoring of credit facility. Banks need to zero tolerance for Sexual harassment related complaints. Corporate governance is very vast subject. Variables taken above represents brief representation of the compliance culture of Banks. There is further scope of detailed study in compliance area like CSR Policy of the entity, Preventions of Sexual Harassment policy, Fraud detection and prevention strategy of Bank, etc.

SOURCE OF DATA:

- Annual Report
- Bank's Website
- BSE Website - <https://www.bseindia.com/index.html>
- NSE Website - <https://www.nseindia.com/>
- Bank's Business Responsibility Report

ABBREVIATIONS:

Sr. No.	Abbreviations	Full Name
1	SBI	State Bank of India
2	PNB	Punjab National Bank
3	BOB	Bank of Baroda

4	IOB	Indian Overseas Bank
5	Canara	Canara Bank
6	HDFC	HDFC Bank Limited
7	ICICI	ICICI Bank Limited
8	Kotak	Kotak Mahindra Bank Limited
9	Axis	Axis Bank Limited
10	IndusInd	IndusInd Bank Limited
11	PSB	Public Sector Bank
12	RBI	Reserve Bank of India
13	RTA	Registrar and Share Transfer Agent
14	GOI	Government of India