

BCC:ISD:115:34

10.02.2023

The Head / CGM,
Corporate Finance Department
Securities and Exchange Board of India (SEBI)
SEBI Bhavan,
Plot No. C4-A, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai 400051.

Dear Sir / Madam,

Re.: SEBI (LODR) Regulations, 2015 - Request for Guidance

We refer to Gazette notification dated 17.01.2023 issued by SEBI for SEBI (LODR) (Amendment) Regulations, 2023, interalia inserting following proviso in Regulation 17 (1C)-

*“Provided that a **public sector company** shall ensure that the approval of the shareholders for appointment or re-appointment of a person on the Board of Directors or as a Manager is taken at the next general meeting”*

In this regard, we submit as under:

1. Bank of Baroda is a corresponding new bank constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and is not a company incorporated or registered under the Companies Act, 1956/2013. In common parlance our Bank is referred to as a Public Sector Bank and / or PSB.
2. Government of India (GOI) is identified as the Promoter of the Bank and holds 63.97% of paid up share capital of the Bank.
3. Government of India appoints Directors (other than shareholder directors) directly, pursuant to section 9 (3) of Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, Government Bank and is not required to seek any approval of the shareholders.
4. At present, the Bank's Board comprises of -12- Directors, viz., -5- Whole Time Directors (-1- MD & CEO and -4- EDs), -1- RBI Nominee Director, -1- GOI Nominee Director, and -5- Independent Directors including -3- Shareholders Directors.
5. Only Shareholders Directors are being elected by shareholders of the Bank in the Shareholder's Meeting and all other category of Directors are being appointed / nominated by GOI.

Considering the above facts, we seek clarity on the following-

1. Bank's governing Act i.e., Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 provides for election of -upto 3- Directors on the Board of the Bank by shareholders, other than the Central Government. Other Directors are being directly appointed / nominated by GOI. Will the above referred amendment in SEBI (LODR) Regulations prevail over Bank's governing Act?

2. GOI notifies the terms of Directors while appointing / nominating directors on Board of Bank. Hypothetically, in case of agenda item for appointment or re-appointment of a person on the Board of Directors, is disapproved by shareholders, what will be the status of Directors?
3. Whether Government of India will be voting in the said resolution?

We request your kind guidance in the above matter.

Thanking you,

P K Agarwal
Company Secretary

Note: We have paid fees of Rs. 29,500/- (Rs. 25,000+GST@18%) to SEBI Account Number SEBIRCCFDINFMGUIDEFEE on 09.02.2023 vide UTR BARBD23040383437 for application under SEBI (Informal Guidance) Scheme, 2003. Kindly arrange to provide invoice copy, for GST claim by Bank.