

# IDBI BANK LIMITED

Registered Office: IDBI Tower, WTC Complex, Cuffe Parade, Mumbai, Maharashtra - 400 005 India.  
 CIN: L51901MH2004G0141131; Tel: (022) 66552778; Fax: (022) 22144624; Email: idbi@idbi.co.in; Website: www.idbi.com

Recommendations of the Committee of Independent Directors ("IDC") on the Open Offer to Equity Shareholders of IDBI Bank Limited ("Target Company") by Life Insurance Corporation of India, a corporation established under the Life Insurance Corporation Act, 1956 ("Acquirer") under Regulation 26(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI SAST Regulations")

1) Date	October 23, 2018
2) Name of the Target Company	IDBI Bank Limited
3) Details of the Offer pertaining to the Target Company	<p>The Open Offer is being made by the Acquirer to the shareholders of the Target Company for acquisition of 2,04,15,12,828 fully paid up equity shares of face value of ₹ 10/- each of the Target Company, at a price of ₹ 61.73/- per equity share payable in cash, representing 26% of the total voting equity share capital of the Target Company on a fully diluted basis as of the 10th working day from the closure of the tendering period for the open offer pursuant to Regulations 3(1), 4 and other applicable provisions of the SEBI SAST Regulations.</p> <p>This Offer is a mandatory open offer being made pursuant to Regulations 3(1), 4 and other applicable provisions of the SEBI SAST Regulations for acquisition of a controlling stake of up to 51% of the Fully Diluted Voting Share Capital of the Target Company shares accompanied with a change in control and management of the Target Company.</p>
4) Name of the acquirer and Person(s) Acting in Concert (PAC) with the Acquirer	The Acquirer is Life Insurance Corporation of India. There are no PACs for the purpose of this Open Offer.
5) Name of the Manager to the Offer	<p>ICICI Securities Limited                  HT Parkh Marg, Churchgata, Mumbai - 400 020                  Tel: +91 22 2288 2460,                  Fax: +91 22 2282 6580,                  Contact Person Sameer Purohit/Anurag Byas                  Email: idbi.openoffer@icicisecurities.com                  SEBI Registration No. INM00011179</p>
6) Members of the Committee of Independent Directors (IDC)	<p>1. Shri Jambunathan Narayanan - Chairman                  2. Shri Gyan Prakash Joshi                  3. Dr Ashima Goyal                  4. Shri Bhuvanchandra B Joshi                  5. Shri Samaresh Parida</p>
7) IDC Members' relationship with the Target Company (Director, Equity Shares owned, any other contract/relationship), if any	<p>IDC Members are independent and Non-Executive Directors of the Target Company.                  None of the IDC Members hold any shares or have any other contract/relationship with the Target Company at present.</p>
8) Trading in the Equity Shares/other securities of Target Company by IDC Members	None of the IDC Members have traded in Equity Shares/other securities of the Target Company since their appointment as Independent Directors.
9) IDC Members' relationship with the Acquirer (Director, Equity Shares owned, any other contract/relationship), if any	<p>None of the IDC Members,                  (i) are directors of the Acquirer;                  (ii) hold any equity shares/other securities in the Acquirer, or                  (iii) have any other contracts/relationship with the Acquirer.</p>
10) Trading in the Equity shares/other securities of the Acquirer by IDC Members	NIL
11) Recommendation to the Open offer, as to whether the offer is or is not, fair and reasonable	The IDC members believe that the Offer made in accordance with SEBI SAST Regulations is fair and reasonable.
12) Summary of reasons for Recommendation	<p>IDC has perused the Public Announcement (PA) dated October 4, 2018, the Detailed Public Statement (DPS) dated October 10, 2018, published on October 11, 2018 and the Draft Letter of Offer (DLOF) dated October 19, 2018.</p> <p>Based on the review, the IDC is of the opinion that the Offer Price of ₹ 61.73 is in accordance with the relevant regulations of the SEBI SAST Regulations.</p> <p>IDC has also taken into consideration the following while making this recommendation.</p> <p>(i) The equity shares of the Target Company are frequently traded on BSE and NSE within the meaning of Regulation 2(1)(i) of the SEBI SAST Regulations, during the 12 (Twelve) months preceding the date on which the Public Announcement was made, and are most frequently traded on NSE.</p> <p>(ii) The market price of the Target Company on the NSE as of October 22, 2018 is ₹ 59.10, vis a vis the Open Offer Price of ₹ 61.73 and</p> <p>(iii) Volume-weighted average market price of the equity shares for a period of 60 (sixty) trading days immediately preceding October 4, 2018 as traded on the NSE (being the exchange on which the equity shares of the Target Company are most frequently traded) ₹ 57.66 per equity share.</p> <p>In addition, IDBI Bank Limited has been under stress and is implementing its turnaround strategy in compliance with the Prompt Corrective Action requirements of the Reserve Bank of India. The IDC believes that, by this acquisition, Target Company would be benefited.</p> <p>Based on the above, the IDC is of the opinion that the Offer price is fair and reasonable and is calculated in accordance with the SEBI SAST Regulations.</p> <p>The IDC would, however, suggest that the shareholders of the Target Company should independently evaluate the Open Offer and take an informed decision in relation to the Open Offer.</p> <p>This statement of recommendation will be available on the website of the Company (<a href="http://www.idbi.com">www.idbi.com</a>).</p>
13) Details of Independent Advisors, if any	None
14) Any other matter to be highlighted	None

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the Target Company under the SEBI SAST Regulations.

Place: Mumbai  
 Date : October 23, 2018

For IDBI Bank Ltd  
 Sd/-  
 Chairman - Committee of Independent Directors

- Notes:
- 1) Committee of Independent Directors, in its meeting held on October 23, 2018, considered the Open Offer and gave the above reasoned recommendations.
  - 2) SEBI provided final comments on the draft Letter of Offer to Manager to the Open Offer vide Letter dated December 7, 2018. Further, no competing offer has been received by Manager to the Open Offer during the above period i.e. from October 23, 2018 to December 7, 2018.
  - 3) The above disclosure is made in compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

