



BOARD DIVERSITY POLICY

Constitution of the Board

Article 114(a) provides the number of minimum and maximum Directors on the Board while the Constitution of the Board is provided under Article 116(i) to (viii) as under :

- Article 114 (a) The number of Directors shall not be less than three and more than fifteen, or such other number as may be determined from time to time by the Company in General Meeting in accordance with the aforesaid limit and provisions of the Act.
- Article 114 (b) Not less than 51% (fifty one percent) of the total number of members of the Board of Directors shall consist of persons, who shall have special knowledge or practical experience in any of the matters mentioned in section 10-A(2)(a) of the Banking Act and who do not suffer from any of the disqualification mentioned in these Articles, the Act and the Banking Act.

Composition of the Board

- Article 116 (1) The Board of Directors shall consist of :
- (i) Chairman of LIC will be an ex-officio Non Executive Non Whole time Chairman of IDBI Bank Ltd.
 - (ii) One whole time Managing Director & CEO nominated by LIC
 - (iii) Two whole time Deputy Managing Directors nominated by LIC
 - (iv) One Official Nominee Director of LIC
 - (v) Two Nominee Directors of GoI
 - (vi) 8 Non Rotational Independent Directors appointed by shareholders in General Meeting in terms of Sec 149(4) read with Schedule IV of Companies Act, 2013 for an initial term of 4 consecutive years but shall be eligible

for re-appointment on passing of special resolution for not more than one more term of 4 years, subject to maximum term of 8 years on the Board

- (vii) Five Directors at S1. No (iii) to (v) above being nearest to 2/3rd of the total strength of 15 Directors (minus 8 independent directors) shall be subject to retirement by rotation at the AGM in terms of the provisions of Section 152(6) of the Companies Act, 2013 and shall be eligible for re-appointment.
- (viii) As per the provisions of Section 149(1)(b) of the Companies Act, 2013, at least one Independent Woman Director should be there on the Board of Directors.

Area of Expertise of Directors

The Directors are identified based on the criteria provided under Section 10-A(2)(a) of the Banking Regulation Act, 1949 as under :

Not less than fifty-one per cent, of the total number of members of the Board of Directors shall consist of persons, who-

(a) shall have special knowledge or practical experience in respect of one or more of the following matters, namely:-

- (i) accountancy,
- (ii) agriculture and rural economy,
- (iii) banking,
- (iv) co-operation,
- (v) economics,
- (vi) finance,
- (vii) law,
- (viii) small-scale industry,
- (ix) any other matter the special knowledge of, and practical experience in, which would, in the opinion of the Reserve Bank, be useful to the banking company:

PROVIDED that out of the aforesaid number of Directors, not less than two shall be persons having special knowledge or practical experience in respect of agriculture and rural economy, co-operation or small- scale industry.

Further the Directors are also identified based on the criteria provided under Schedule IV of the Companies Act, 2013 as under :

Appointment process of Independent Directors shall be independent of the company management; while selecting Independent Directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.

Additionally, the provisions of the Banking Regulation Act, 1949, Companies Act, 2013 & Rules made thereunder, SEBI (LODR) Regulations, 2015 and the RBI Guidelines are looked into while identifying suitable candidate to be appointed as Director of the Bank.

The above provisions being followed by IDBI Bank ensure diversity on the Board of IDBI Bank.