



**Policy for Determination of Materiality and
Disclosure of Events/Information**

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Policy for Determination of Materiality and Disclosure of Events/Information

IDBI Bank being a listed entity has to comply with the regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations') and the guidelines issued by the Securities and Exchange Board of India (SEBI) from time to time in this regard.

Regulation 30(4) of the Regulations requires every listed entity to frame a policy for determination of materiality of events and information that requires appropriate disclosure to the stock exchanges. Accordingly, the Bank has put in place the Policy for Determination of Materiality and Disclosure of Events/Information.

I. Disclosure of events or information to stock exchanges

(1) The events or information which are required to be disclosed to the Stock Exchanges are divided into three categories as specified in the Listing Regulations:

A. List of Events (as applicable) to be mandatorily disclosed to Stock Exchanges without applying the criteria of materiality, referred under sub-regulation (4) of Regulation 30 and reproduced below, in terms of Para A, Part A of Schedule III of Listing Regulations:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Bank, sale of stake in associate company of the Bank or any other restructuring.

Explanation (1) - For the purpose of this sub-paragraph, the word 'acquisition' shall mean-

- (i) acquiring control, whether directly or indirectly; or
- (ii) acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, whether directly or indirectly, such that –
 - (a) the Bank holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company; or
 - (b) there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-paragraph and such change

exceeds two per cent of the total shareholding or voting rights in the said company;
or

(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (2) - For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-

(i) an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the Bank; or

(ii) an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (3)- For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013.

2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. New Rating(s) or Revision in Rating(s).
4. Outcome of Meetings of the board of directors: The Bank shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - a) dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - b) any cancellation of dividend with reasons thereof;
 - c) the decision on buyback of securities;
 - d) the decision with respect to fund raising proposed to be undertaken;

- e) increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
- f) reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
- g) short particulars of any other alterations of capital, including calls;
- h) financial results;
- i) decision on voluntary delisting by the Bank from stock exchange(s). [Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered.]

5. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Bank), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

5A) Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Bank or of its holding, subsidiary or associate company, among themselves or with the Bank or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Bank or impose any restriction or create any liability upon the Bank, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Bank is a party to such agreements:

Provided that such agreements entered into by the Bank in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Bank or they are required to be disclosed in terms of any other provisions of these regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that Bank shall or shall not act in a particular manner.

6. Fraud or defaults by the Bank, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the Bank, whether occurred within India or abroad:

For the purpose of this sub-paragraph:

- (i) **‘Fraud’** shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- (ii) **‘Default’** shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in ‘default’ if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the Bank.

7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Senior Management, Auditor and Compliance Officer.

7A In case of resignation of the auditor of the Bank, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Bank to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

7B Resignation of Independent Director including reasons for resignation: In case of resignation of an independent director of the Bank, within seven days from the date of

resignation, the following disclosures shall be made to the stock exchanges by the Bank:

- i. The letter of resignation along with detailed reasons for the resignation as given by the said Director.
- (ia) Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
- ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
- iii. The confirmation as provided by the independent director above shall also be disclosed by the Bank to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii) above.

7C In case of resignation of key managerial personnel, senior management, compliance officer or director other than an independent director; the letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, compliance officer or director shall be disclosed to the stock exchanges by the Bank within seven days from the date that such resignation comes into effect.

7D In case the Managing Director or Chief Executive Officer of the Bank was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty five days in any rolling period of ninety days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).

8. Appointment or discontinuation of share transfer agent.

9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:

- (i) Decision to initiate resolution of loans/borrowings;
- (ii) Signing of Inter-Creditors Agreement (ICA) by lenders;
- (iii) Finalization of Resolution Plan;
- (iv) Implementation of Resolution Plan;
- (v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.

10. One time settlement with a Bank.
11. Winding-up petition filed by any party / creditors.
12. Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the Bank.
13. Proceedings of Annual and extraordinary general meetings of the Bank.
14. Amendments to memorandum and articles of association of Bank, in brief.
15. (a) Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the Bank to analysts or institutional investors.

Explanation: For the purpose of this clause 'meet' shall mean group meetings or group conference calls conducted physically or through digital means.

(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:

- (i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
- (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:
 - a) Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;
 - b) Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;
 - c) Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;
 - d) Public announcement made pursuant to order passed by the Tribunal under section

13 of Insolvency Code;

- e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- f) Appointment/ Replacement of the Resolution Professional;
- g) Prior or post-facto intimation of the meetings of Committee of Creditors;
- h) Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016;
- i) Number of resolution plans received by Resolution Professional;
- j) Filing of resolution plan with the Tribunal;
- k) Approval of resolution plan by the Tribunal or rejection, if applicable;
- l) Specific features and details of the resolution plan as approved by the Adjudicating Authority under the Insolvency Code, not involving commercial secrets, including details such as:
 - (i) Pre and Post net-worth of the company;
 - (ii) Details of assets of the company post CIRP;
 - (iii) Details of securities continuing to be imposed on the companies' assets;
 - (iv) Other material liabilities imposed on the company;
 - (v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
 - (vi) Details of funds infused in the company, creditors paid-off;
 - (vii) Additional liability on the incoming investors due to the transaction, source of such funding etc.;
 - (viii) Impact on the investor – revised P/E, RONW ratios, etc.;
 - (ix) Names of the new promoters, key managerial persons(s), if any and their past experience in the business or employment. In case where promoters are companies, history of such company and names of natural persons in control;
 - (x) Brief description of business strategy.

- m) Any other material information not involving commercial secrets.
- n) Proposed steps to be taken by the incoming investor/acquirer for achieving the MPS;
- o) Quarterly disclosure of the status of achieving the MPS;
- p) The details as to the delisting plans, if any approved in the resolution plan.

17. Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by the Bank:

- a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available;
- b) Final forensic audit report (other than for forensic audit initiated by regulatory/enforcement agencies) on receipt by the Bank along with comments of the management, if any.

18. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of the Bank, in relation to any event or information which is material for the Bank in terms of regulation 30 of these regulations and is not already made available in the public domain by the Bank.

Explanation – “social media intermediaries” shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

19. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Bank or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Bank, in respect of the following:

- (a) search or seizure; or
- (b) re-opening of accounts under section 130 of the Companies Act, 2013; or
- (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;

along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;
- ii. nature and details of the action(s) taken, initiated or order(s) passed;
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. impact on financial, operation or other activities of the Bank, quantifiable in monetary terms to the extent possible.

20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Bank or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Bank, in respect of the following:

- (a) suspension;
- (b) imposition of fine or penalty;
- (c) settlement of proceedings;
- (d) debarment;
- (e) disqualification;
- (f) closure of operations;
- (g) sanctions imposed;
- (h) warning or caution; or
- (i) any other similar action(s) by whatever name called;

along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;
- ii. nature and details of the action(s) taken, initiated or order(s) passed;
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. impact on financial, operation or other activities of the Bank, quantifiable in monetary terms to the extent possible.

21. Voluntary revision of financial statements or the report of the board of directors of the Bank under section 131 of the Companies Act, 2013.

B. List of Events (as applicable) which shall be disclosed upon application of the criteria for materiality referred under sub-regulation (4) of Regulation 30 and reproduced below, in terms of Para B, Part A of Schedule III of Listing Regulations

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the Bank:
 - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - (b) adoption of new line(s) of business; or
 - (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the Bank due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the Bank
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Bank
9. Frauds or defaults by employees of the Bank which has or may have an impact on the Bank
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

C Any other information/event/ major development that is likely to affect business

Such events may include but not be limited to the following:

- i. Change in accounting policy that may have a significant impact on the accounts of the Bank.
- ii. Any other event which is in the nature of major development that is likely to affect business of the Bank.
- iii. Any other information exclusively known to the Bank which may be necessary to be disseminated to enable the holders of the securities of the Bank to apprise its position and to avoid the establishment of a false market in such securities.

(2) Without prejudice to the generality of Para A, B and C above, IDBI Bank will make disclosures of event/information as specified by the SEBI from time to time.

(3) In addition to the events given at Para A, B and C above, the Bank will promptly inform the stock exchange(s) information referred under sub-regulation (2) of Regulation 51 and reproduced below, in terms of Para A, Part B of Schedule III of Listing Regulations, which shall have bearing on performance/operation of the Bank or is price sensitive or shall affect payment of interest or dividend or redemption payment of non-convertible securities:

- i. expected default in the timely payment of interest, dividend or redemption payment or both in respect of the non-convertible securities and also default in the creation of security for non-convertible debt securities as soon as the same becomes apparent;
- ii. any attachment or prohibitory orders restraining the Bank from transferring non-convertible securities from the account of the registered holders along-with the particulars of the numbers of securities so affected, the names of the registered holders and their demat account details;
- iii. any action which shall result in the redemption, reduction, cancellation, retirement in whole or in part of any non-convertible securities;
- iv. any action that shall affect adversely payment of interest on non-convertible debt securities or payment of dividend on non-convertible redeemable preference

- shares including default by issuer to pay interest on non-convertible debt securities or redemption amount and failure to create a charge on the assets;
- v. any change in the form or nature of any of its non-convertible securities that are listed on the stock exchange(s) or in the rights or privileges of the holders thereof and make an application for listing of the securities as changed, if the stock exchange(s) so require;
 - vi. any events such as strikes and lock outs, which have a bearing on the interest payment/ dividend payment / principal repayment capacity;
 - vii. details of any letter or comments made by debenture trustees regarding payment/non-payment of interest on due dates, payment/non-payment of principal on the due dates or any other matter concerning the security of the Bank and /or the assets along with its comments thereon, if any;
 - viii. delay/ default in payment of interest or dividend / principal amount /redemption for a period of more than three months from the due date;
 - ix. failure to create charge on the assets within the stipulated time period;
 - x. any instance(s) of default/delay in timely repayment of interests or principal obligations or both in respect of the debt securities including, any proposal for re-scheduling or postponement of the repayment programmes of the dues/debts of the Bank with any investor(s)/lender(s).
 - xi. any major change in composition of its board of directors, which may amount to change in control as defined in Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - xii. the following approvals by board of directors in their meeting:-
 - a. the decision to pass any interest payment;
 - b. short particulars of any increase of capital whether by issue of bonus securities through capitalization, or by way of right securities to be offered to the debt security holders, or in any other way;
 - xiii. all information, report, notices, call letters, circulars, proceedings, etc concerning non-convertible debt securities;
 - xiv. intimation related to any change in terms of issue or redemption or exercising of call/

put options;

- xv. intimation related to any change in covenants or breach of covenants under the terms of non-convertible debentures and/or non-convertible redeemable preference shares;
- xvi. intimation related to forfeiture of unclaimed interest or dividend or principal amount;
- xvii. intimation related to any change in the debenture trustee or Credit Rating Agency or Registrar and Share Transfer Agent;
- xviii. intimation of comfort/guarantee or any credit enhancement provided by the Bank to a third party;
- xix. any other information/change that:
 - (a) shall affect the rights and obligations of the holders of the non-convertible securities; and
 - (b) is not in the public domain but necessary to enable the holders of the non-convertible securities to comprehend the true position and to avoid the creation of a false market in such listed securities.

II. IDBI Bank shall consider the following criteria for determination of materiality of events/ information as listed under Para I (1)(B) above:

- (a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or
- (b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date;
- (c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - (1) two percent of turnover, as per the last audited consolidated financial statements of the Bank;
 - (2) two percent of net worth, as per the last audited consolidated financial statements of the Bank, except in case the arithmetic value of the net worth is negative;
 - (3) five percent of the average of absolute value of profit or loss after tax, as per

the last three audited consolidated financial statements of the Bank;

- (d) In case where the criteria specified in sub-clauses (a), (b) and (c) are not applicable, an event/information may be treated as being material if in the opinion of the Key Managerial Personnel, authorized by the Board of directors, i.e., MD& CEO / DMD(s) / CFO/ Company Secretary, the event / information is considered material.

III. Guidance on when an event/information is deemed to occur

- (a) The events/information shall be said to have occurred upon approval of Board of the Bank in certain events, for example further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of the Bank and Shareholders of the Bank.
- (b) Certain events which are price sensitive in nature like declaration of dividends etc. will be deemed to have occurred and disclosed on approval of the Board of the Bank pending Shareholder's approval.
- (c) Events such as natural calamities or disruption can be said to have occurred when the Bank becomes aware of the event/information.

IV. Timelines to be complied by IDBI Bank for Disclosure of Price Sensitive Information in terms of Regulation 30(6) of the SEBI Regulations

IDBI Bank shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

- i. thirty minutes from the closure of the meeting of the board of directors in which the decision pertaining to the event or information has been taken;
- ii. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Bank;
- iii. twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Bank

Provided further that disclosure with respect to events specified in sub-para 4 of Para I (1) (A) above, i.e. Outcome of the Board Meetings, shall be made within the timelines specified therein.

Provided further that in case the disclosure is made after the timelines specified under this regulation, the Bank shall, along with such disclosure provide the explanation for the delay.

V. Guidance to the Employees

In case any employee becomes aware of any potential material event or information given at Para I(A) or (B) above, the same shall be immediately reported to the Key Managerial Personnel, for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).

VI. Disclosures on the Website

The Bank shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Bank for a minimum period of five years and thereafter archived and placed in the servers of the Secretarial Department and Domestic Resources Department of the Bank for disclosures pertaining to equity shares and non-convertible debt securities, respectively.

VII. Amendment/ Review

The Policy shall be reviewed by the Board of Directors annually. Any subsequent amendment / modification in the Listing Regulations and/ or applicable laws in this regard shall automatically apply to this Policy.
