



# INDIAN OVERSEAS BANK

Investor Relations Cell  
Central Office

## **IOB POLICY ON DETERMINATION OF MATERIALITY AND DISCLOSURE OF EVENTS / INFORMATION**

### **INDEX**

<b>SL. NO.</b>	<b>CONTENTS</b>	<b>PAGE NO.</b>
1.	NAME OF THE POLICY AND EFFECTIVE DATE	2
2.	DEFINITIONS	2
3.	SCOPE OF THE POLICY	3
4.	AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENT AND / OR INFORMATION	3
5.	APPLICABILITY OF THE POLICY	3
6.	CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENT AND/OR INFORMATION	17
7.	TIMELINE FOR DISCLOSURE	17
8.	WEBSITE UPDATION	18
9.	IMPLEMENTATION OF POLICY	18
10.	POLICY REVIEW	18
11.	OPERATIONAL INSTRUCTIONS	18
12.	OTHER PROVISIONS RELATED TO DISCLOSURES	19
13.	ANNEXURE	20



# Indian Overseas Bank

Investor Relations Cell  
Central Office

## **“IOB POLICY ON DETERMINATION OF MATERIALITY AND DISCLOSURE OF EVENTS / INFORMATION”**

### **1. NAME OF THE POLICY AND EFFECTIVE DATE:**

“IOB Policy on Determination of Materiality and Disclosure of Events / Information” hereinafter referred to as “**Policy**” and shall come into force with effect from October 2021.

The policy has been made pursuant to the powers conferred by Section 11, **Section** 11A (2) and Section 30 of the Securities and Exchange Board of India Act, 1992 (15 of 1992) read with Section 31 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), the Securities and Exchange Board of India (SEBI) made a new regulations, called the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(hereinafter referred to as “**LODR**” / “**Listing Regulations**”), replacing the erstwhile Listing Agreement.

### **2. DEFINITIONS:**

#### **Board**

“Board” means Board of Directors of the Bank constituted in terms of Section 9 (3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 / 1980.

#### **Designated Securities**

“Designated Securities” means specified securities, non-convertible debt securities, non-convertible redeemable preference shares, perpetual debt instrument, perpetual non-cumulative preference shares, Indian Depositary Receipts, securities debt instruments, security receipts, units issued by mutual funds and any other securities as may be specified by the Board.

#### **Key Managerial Personnel**

“Key Managerial Personnel” in terms of Materiality & Disclosure of Events /Information means,

- (i) Chief Executive Officer or the Managing Director appointed under the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970 / 1980;
- (ii) Executive Director / Whole-time director;
- (iii) Chief Financial Officer;
- (iv) Chief Risk Officer;
- (v) Company Secretary and
- (vi) such other officer/s as may be prescribed.

#### **Schedule**

“Schedule” means Schedule III annexed to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Specified Securities**

“Specified Securities” means equity shares and convertible securities as defined under clause (eee) of sub-regulation (1) of Regulation 2 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

#### **Material events**

Material events are those that are specified in Schedule III to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Listed Entity**

“Listed Entity” means an entity which has listed, on a recognised stock exchange(s), the designated securities issued by it or designated securities issued under schemes managed by it, in accordance with the listing agreement entered into between the entity and the recognised stock exchange(s) and hence shall denote the Bank, i.e. Indian Overseas Bank, which is formed under The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and is under the purview of The Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970).

**Non-convertible Debt Securities**

“Non-convertible Debt Securities means ‘debt securities’ as defined under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

**Non-convertible Redeemable Preference Shares, perpetual debt instrument / innovative perpetual debt instrument and perpetual non-cumulative preference shares**

“non-convertible redeemable preference shares’, “non-convertible securities’, ‘perpetual debt instrument’ and ‘perpetual non-cumulative preference share’ shall have the same meaning as assigned to them in the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;”

**3. SCOPE OF THE POLICY:**

This Policy outlines the basis for determining Materiality of an Event or Information, for making disclosures under Regulation 30, Regulation 51, Regulation 63 and Schedule III of the Listing Regulations.

The Board of Directors, on recommendations by Audit Committee is empowered to review and amend the policy from time to time.

**4. AUTHORITY FOR DETERMINATION OF MATERIALITY OF EVENT AND / OR INFORMATION:**

Key Managerial Personnel (KMP) as defined above are authorised to determine the materiality of an event or information and for the purpose of advising on the disclosure to the stock exchange(s). In terms of Regulation 30 (5) of the Listing Regulations, the Board of Directors of the Bank shall authorise one or more Key Managerial Personnel or Company Secretary or Chief Financial Officer for the purpose of determining the materiality of an event or information and for the purpose of making disclosures to the Stock Exchanges and the contact details of such Personnel shall be disclosed to the Stock Exchanges as well as on the Bank’s website.

**5. APPLICABILITY OF THE POLICY:**

The LODR specifies events that need to be disclosed by Listed Entities, broadly in two categories based on materiality. **The events that have to be necessarily disclosed without applying any test of materiality are indicated in Para A of Part A of Schedule III of the Listing Regulations. Para B of Part A of Schedule III indicates the events that should be disclosed by the listed entity, if considered material. Both events as indicated forms part of this policy.**

**Disclosure of information having bearing on performance or operation of the Listed Entity and / or price sensitive information with respect to entities which has listed its non-convertible securities as indicated in Part B of Schedule III of the Listing Regulations, which forms part of this policy.**

## **I. PARA A OF PART A OF SCHEDULE III OF LISTING REGULATIONS:**

Events which the listed entity shall disclose without any application of the guidelines of materiality as specified in sub-regulation (4) of Regulation 30 of Listing Regulations.

### **1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring:**

#### **1.1. Acquisition (including agreement to acquire):**

- a) name of the target entity, details in brief such as size, turnover etc.;
- b) whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arms length";
- c) industry to which the entity being acquired belongs;
- d) objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity);
- e) brief details of any governmental or regulatory approvals required for the acquisition;
- f) indicative time period for completion of the acquisition;
- g) nature of consideration - whether cash consideration or share swap and details of the same;
- h) cost of acquisition or the price at which the shares are acquired;
- i) percentage of shareholding / control acquired and / or number of shares acquired;
- j) brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief);

[Explanation: For the purpose of the above disclosures the term 'acquisition' shall have the same meaning as defined in explanation of sub-para (1) of Para (A) of Part (A) of Schedule III of Listing Regulations].

#### **1.2. Amalgamation/ Merger:**

- a) name of the entity(ies) forming part of the amalgamation/merger, details in brief such as, size, turnover etc.
- b) whether the transaction would fall within related party transactions; If yes, whether the same is done at "arms length";
- c) area of business of the entity(ies);
- d) rationale for amalgamation/ merger;
- e) in case of cash consideration – amount or otherwise share exchange ratio;
- f) brief details of change in shareholding pattern (if any)of listed entity.

#### **1.3. Demerger:**

- a) brief details of the division(s) to be demerged;
- b) turnover of the demerged division and as percentage to the total turnover of the listed entity in the immediately preceding financial year / based on financials of the last financial year;
- c) rationale for demerger;
- d) brief details of change in shareholding pattern (if any)of all entities;
- e) in case of cash consideration – amount or otherwise share exchange ratio;
- f) whether listing would be sought for the resulting entity.

#### **1.4. Sale or disposal of unit(s) or division(s) or subsidiary of the listed entity:**

- a) the amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year;
- b) date on which the agreement for sale has been entered into;
- c) the expected date of completion of sale/disposal;
- d) consideration received from such sale/disposal;
- e) brief details of buyers and whether any of the buyers belong to the promoter/ promoter

- group/group companies. If yes, details thereof;
- f) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";
  - g) additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale.

For the purpose of this sub-clause, "slump sale" shall mean the transfer of one or more undertakings, as a result of the sale for a lump sum consideration, without values being assigned to the individual assets and liabilities in such sales.

#### **1.5. Other Restructuring:**

- a) details and reasons for restructuring;
- b) quantitative and/ or qualitative effect of restructuring;
- c) details of benefit, if any, to the promoter/promoter group/group companies from such proposed restructuring;
- d) brief details of change in shareholding pattern (if any) of all entities.

#### **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.**

##### **2.1. Issuance of securities:**

- a) type of securities proposed to be issued (viz. equity shares, convertibles etc.);
- b) type of issuance (further public offering, rights issue, depository receipts (ADR/GDR), qualified institutions placement, preferential allotment etc.);
- c) total number of securities proposed to be issued or the total amount for which the securities will be issued (approximately);
- d) in case of preferential issue the listed entity shall disclose the following additional details to the stock exchange(s):
  - i. names of the investors;
  - ii. post allotment of securities - outcome of the subscription, issue price / allotted price (in case of convertibles), number of investors;
  - iii. in case of convertibles - intimation on conversion of securities or on lapse of the tenure of the instrument;
- e) in case of bonus issue the listed entity shall disclose the following additional details to the stock exchange(s):
  - i. whether bonus is out of free reserves created out of profits or share premium account;
  - ii. bonus ratio;
  - iii. details of share capital - pre and post bonus issue;
  - iv. free reserves and/ or share premium required for implementing the bonus issue;
  - v. free reserves and/ or share premium available for capitalization and the date as on which such balance is available;
  - vi. whether the aforesaid figures are audited;
  - vii. estimated date by which such bonus shares would be credited/dispatched;
- f) in case of issuance of depository receipts (ADR/GDR) or FCCB the listed entity shall disclose following additional details to the stock exchange(s):
  - i. name of the stock exchange(s) where ADR/GDR/FCCBs are listed (opening – closing status) / proposed to be listed;
  - ii. proposed no. of equity shares underlying the ADR/GDR or on conversion of FCCBs;
  - iii. proposed date of allotment, tenure, date of maturity and coupon offered, if any of FCCB's;
  - iv. issue price of ADR/GDR/FCCBs (in terms of USD and in INR after considering conversion rate);
  - v. change in terms of FCCBs, if any;
  - vi. details of defaults, if any, by the listed entity in payment of coupon on FCCBs & subsequent



- updates in relation to the default, including the details of the corrective measures undertaken (if any);
- g) in case of issuance of debt securities or other non-convertible securities the listed entity shall disclose following additional details to the stock exchange(s):
- i. size of the issue;
  - ii. whether proposed to be listed; If yes, name of the stock exchange(s);
  - iii. tenure of the instrument - date of allotment and date of maturity;
  - iv. coupon/interest offered, schedule of payment of coupon/interest and principal;
  - v. charge/security, if any, created over the assets;
  - vi. special right/interest/privileges attached to the instrument and changes thereof;
  - vii. delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal;
  - viii. details of any letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and /or the assets along with its comments thereon, if any;
  - ix. details of redemption of preference shares indicating the manner of redemption (whether out of profits or out of fresh issue) and debentures;
- h) any cancellation or termination of proposal for issuance of securities including reasons thereof.

## **2.2. Split/consolidation of shares:**

- a) split/consolidation ratio;
- b) rationale behind the split/consolidation;
- c) pre and post share capital – authorized, paid-up and subscribed;
- d) expected time of completion;
- e) class of shares which are consolidated or subdivided;
- f) number of shares of each class pre and post split or consolidation; and
- g) number of shareholders who did not get any shares in consolidation and their pre-consolidation shareholding.

## **2.3. Buy-back of securities:**

- a) number of securities proposed for buyback;
- b) number of securities proposed for buyback as a percentage of existing paid up capital;
- c) buyback price;
- d) actual securities in number and percentage of existing paid up capital bought back; and
- e) pre& post shareholding pattern.

## **2.4. Any restriction on transferability of securities:**

- a) authority issuing attachment or prohibitory orders;
- b) brief details and reasons for attachment or prohibitory orders;
- c) name of registered holders against whom restriction on transferability has been placed;
- d) total number of securities so affected;
- e) distinctive numbers of such securities if applicable; and
- f) period for which order would be applicable (if stated).

## **2.5. Any action, which will result in alteration of the terms or structure of any existing securities, including, but not limited to:**

- a) forfeiture of shares;
- b) 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;
- c) proposal to issue any class of securities;
- d) alterations of capital, including calls;

e) change in the terms regarding redemption/cancellation/retirement in whole or in part of any securities issued by the listed entity.

### **3. Revision in Rating(s)**

The listed entity shall notify the stock exchange(s), the details of any new rating or revision in rating assigned from a credit rating agency to any debt instrument of the listed entity or to any fixed deposit programme or to any scheme or proposal of the listed entity involving mobilization of funds whether in India or abroad. In case of a downward revision in ratings, the listed entity shall also intimate the reasons provided by the rating agency for such downward revision.

### **4. Outcome of meetings of the board of directors:**

The listed entity shall intimate to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider or decide the following:

- 4.1. 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;
- 4.2. any cancellation of dividend with reasons thereof;
- 4.3. the decision on buyback of securities;
- 4.4. the decision with respect to fund raising proposed to be undertaken;
- 4.5. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
- 4.6. 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;
- 4.7. short particulars of any other alterations of capital, including calls;
- 4.8. financial results;
- 4.9. decision on voluntary delisting by the listed entity from stock exchange(s);

The intimation of outcome of meeting of the board of directors shall also contain the time of commencement and conclusion of the meeting.

### **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 listed entity), 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:**

- 5.1. name(s) of parties with whom the agreement is entered;
- 5.2. purpose of entering into the agreement;
- 5.3. shareholding, if any, in the entity with whom the agreement is executed;
- 5.4. significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;
- 5.5. whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;
- 5.6. whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";
- 5.7. in case of issuance of shares to the parties, details of issue price, class of shares issued;
- 5.8. any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;
- 5.9. in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):
  - a) name of parties to the agreement;
  - b) nature of the agreement;

- c) date of execution of the agreement;
  - d) details of amendment and impact thereof or reasons of termination and impact thereof.
- 6. Fraud/Defaults by promoter or key managerial personnel or by the listed entity or arrest of key managerial personnel or promoter**
- 7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer:**
- 7.1. reason for change viz. appointment, resignation, removal, death or otherwise;
  - 7.2. date of appointment/cessation (as applicable) & term of appointment;
  - 7.3. brief profile (in case of appointment);
  - 7.4. disclosure of relationships between directors (in case of appointment of a director);
  - 7.5. In case of resignation of the Auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entity to the stock exchanges as soon as possible but not later than 24 hours of receipt of such reasons from the auditor;
  - 7.6. In case of resignation of Independent Director of the listed entity following disclosures shall be made to the stock exchanges by the listed entity, within seven days from the date of resignation:
    - (i) Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
    - (ii) The independent director shall, along with the detailed reasons, also provide a confirmation that there are no other material reasons other than those provided.
    - (iii) The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.]
- 8. Appointment or discontinuation of share transfer agent:**
- 8.1. reason for appointment or discontinuation, containing name of the appointed or discontinued share transfer agent;
  - 8.2. date on which above would become effective.
- 9. Corporate Debt Restructuring (CDR) of the Listed Entity**
- 10. One-time Settlement of the Listed Entity, with a Bank (OTS)**
- 11. Reference to BIFR and winding-up petition filed by any party / creditors w.r.t. the Listed Entity.**
- 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 listed entity and the following:**
- 12.1. date of notice/call letters/resolutions/ circulars etc.;
  - 12.2. brief details of resolution to be passed, manner of approval proposed etc.
  - 12.3. Instructions for e-voting along with notice in case e-voting facility is provided.
- 13. Proceedings of annual and extra-ordinary general meetings of the listed entity and the following details in brief:**
- 13.1. date, time and venue of the meeting;
  - 13.2. brief details of items deliberated and results thereof;
  - 13.3. manner of approval proposed for certain items (e-voting etc.); and
  - 13.4. Mode of conducting the meeting (Physical or through Video / Other Audio Visual Means).



**14. Schedule of analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors.**

14.1 Date of analyst or institutional investor meet; and

14.2 Specific queries raised by analyst or institutional investor and resolved thereat.

14.3 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.

The requirement for disclosure(s) of audio / video recordings and transcript shall be voluntary with effect from April 01, 2021, and mandatory with effect from April 01, 2022.

**15. 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.

#### 16. Initiation of Forensic audit:

In case of initiation of forensic audit (by whatever name called) on the Listed Entity, the following disclosures shall be made to the stock exchanges by the listed entity:

- (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 listed entity along with comments of the management, if any.

#### 17. Disclosure of divergences in the asset classification and provisioning by the Bank:

The Bank shall make disclosures of divergences and provisioning beyond specified threshold, if any, as soon as reasonably possible and not later than 24 hours upon receipt of the Reserve Bank's Final Risk Assessment Report ("RAR") (in the format given below) rather than waiting to publish them as part of annual financial statements. The disclosures are to be made in either or both of the following cases:

- a. the additional provisioning for NPAs assessed by RBI exceeds 10 per cent of the reported profit before provisions and contingencies for the reference period; and
- b. the additional gross NPAs identified by RBI exceed 15 per cent of the published incremental Gross NPAs for the reference period.

#### **Reporting Divergence in Asset Classification and Provisioning for NPAs to Stock Exchanges**

Sl. No.	Particulars	Amount
1.	Gross NPAs as on March 31, 20XX* as reported by the bank	
2.	Gross NPAs as on March 31, 20XX as assessed by RBI	
3.	Divergence in Gross NPAs (2-1)	
4.	Net NPAs as on March 31, 20XX as reported by the bank	
5.	Net NPAs as on March 31, 20XX as assessed by RBI	
6.	Divergence in Net NPAs (5-4)	
7.	Provisions for NPAs as on March 31, 20XX as reported by the bank	
8.	Provisions for NPAs as on March 31, 20XX as assessed by RBI	
9.	Divergence in provisioning (8-7)	
10.	Reported Net Profit after Tax (PAT) for the year ended March 31, 20XX	
11.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 20XX after taking into account the divergence in provisioning	
* March 31, 20XX is the close of the reference period in respect of which divergences were assessed		

## II. **PARA B OF PART A OF SCHEDULE III OF LISTING REGULATIONS:**

Details which a listed entity need to disclose for events on which the listed entity may apply materiality in terms of Para B of Part A of Schedule III of Listing Regulations

**1. Commencement or any postponement in the date of commencement of commercial operations or service of any unit / division:**

The listed entity shall notify the stock exchange(s) regarding the commencement of commercial production or the commencement of commercial operations of any unit/division. In cases where the listed entity has made prior intimation of date of commencement of operations, the listed entity shall be required to disclose details in case of postponement of the date of commencement of any operation or services.

**2. Change in the general character or nature of business brought about by:**

**2.1. Arrangements for strategic, technical or marketing tie-up:**

**Change in the general character or nature of business brought about by arrangements for strategic, technical or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).**

- a. Agreement / joint venture (JV) with companies:
  - i. name of the entity(ies) with whom agreement/ JV is signed;
  - ii. area of agreement/JV;
  - iii. domestic/international;
  - iv. share exchange ratio / JV ratio;
  - v. scope of business operation of agreement / JV;
  - vi. details of consideration paid / received in agreement / JV;
  - vii. significant terms and conditions of agreement / JV in brief;
  - viii. whether the acquisition would fall within related party transactions and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired; If yes, nature of interest and details thereof and whether the same is done at "arms length";
  - ix. size of the entity(ies);
  - x. rationale and benefit expected.
- b. In the event that any such arrangement is called off for any reason, the same shall be disclosed along with the reasons for calling off the proposal.

**2.2. Adoption of new line(s) of business:**

- a) industry or area to which the new line of business belongs to;
- b) Reasons for adoption of new line(s) of business
- c) expected benefits;
- d) estimated amount to be invested.
- e) Effective date of adoption of business

**2.3. Closure of operations of any unit/division - (entirety or piecemeal):**

- a) date of such binding agreement, if any, entered for sale of such unit/division, if any;
- b) amount & percentage of turnover or revenue or income and net worth of the listed entity contributed by such unit or division during the last financial year;
- c) date of closure or estimated time of closure;
- d) reasons for closure.
- e) Impact / Consequences of such closure.

**3. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts, not in the normal course of business:**

**3.1. Awarding of order(s)/contract(s):**

Only important terms and conditions which may be as under needs to be disclosed:

- a) name of the entity to which order(s)/contract(s) is awarded;
- b) whether order(s) / contract(s) is awarded to domestic/ international entity
- c) significant terms and conditions of order(s)/contract(s) awarded, in brief;

- d) time period, if any, associated with the order(s)/contract(s);
- e) broad commercial consideration or size of the order(s)/contract(s);
- f) whether the promoter/ promoter group/group companies have any interest in that entity to whom the order(s)/contract(s) is awarded? If Yes, nature of interest and details thereof;
- g) whether the same would fall within related party transactions? If yes, whether the same is done at "arms length".

### **3.2. Bagging / Receiving of orders/contracts:**

Only important terms and conditions which may be as under needs to be disclosed:

- a) name of the entity awarding the order(s)/contract(s);
- b) significant terms and conditions of order(s)/contract(s) awarded in brief;
- c) whether order(s) / contract(s) have been awarded by domestic/ international entity;
- d) nature of order(s) / contract(s);
- e) whether domestic or international;
- f) time period by which the order(s)/contract(s) is to be executed;
- g) broad consideration or size of the order(s)/contract(s);
- h) whether the promoter/ promoter group / group companies have any interest in the entity that awarded the order(s)/contract(s)? If yes, nature of interest and details thereof;
- i) whether the order(s)/contract(s) would fall within related party transactions; If yes, whether the same is done at "arms length".

### **3.3. Amendment or termination of orders/contracts:**

- a) name of parties to the order(s)/contract(s);
- b) nature of the order(s)/contract(s);
- c) date of execution of the order(s)/contract(s)
- d) details of amendment or reasons for terminations and impact thereof (to the extent possible).

## **4. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof:**

Only important terms and conditions which may be as under needs to be disclosed:

- a) name(s) of parties with whom the agreement is entered;
- b) purpose of entering into the agreement;
- c) size of agreement;
- d) shareholding, if any, in the entity with whom the agreement is executed;
- e) significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.;
- f) whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship;
- g) whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length";
- h) in case of issuance of shares to the parties, details of issue price, class of shares issued;
- i) in case of loan agreements, details of lender, nature of the loan, total amount of loan granted, total amount outstanding, date of execution of the loan agreement/sanction letter, details of the security provided to the lenders for such loan;
- j) any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc;
- k) in case of termination or amendment of agreement, listed entity shall disclose additional details to the stock exchange(s):
  - i. name of parties to the agreement ;
  - ii. nature of the agreement;
  - iii. date of execution of the agreement;
  - iv. details of amendment and impact thereof or reasons of termination and impact thereof.

- 5. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.:**
- 5.1. At the time of occurrence:**
- a) Type and reason of such disruption
  - b) expected quantum of loss/damage caused;
  - c) whether loss/damage covered by insurance or not including amount;
  - d) estimated impact on the operations in case of strikes/lock outs;
  - e) unit where the strike/lock out takes place including reasons for such strike.
- 5.2. Regularly, till complete normalcy is restored:**
- a) insurance amount claimed and realized by the listed entity for the loss/damage;
  - b) the actual amount of damage caused due to the natural calamity or other force majeure events;
  - c) details of steps taken to restore normalcy and the impact of the natural calamity/other force majeure events on production or service, financials of the entity.
- 6. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.**
- 7. Litigation(s) / dispute(s) / regulatory action(s) with impact:**
- The listed entity shall notify the stock exchange(s) upon it or its key management personnel or its promoter or ultimate person in control becoming party to any litigation, assessment, adjudication, arbitration or dispute in conciliation proceedings or upon institution of any litigation, assessment, adjudication, arbitration or dispute including any ad-interim or interim orders passed against or in favour of the listed entity, the outcome of which can reasonably be expected to have an impact.
- 7.1. At the time of becoming the party:**
- a) brief details of litigation viz. name(s) of the opposing party, court/ tribunal/agency where litigation is filed, brief details of dispute/litigation;
  - b) expected financial implications, if any, due to compensation, penalty etc;
  - c) quantum of claims, if any;
- 7.2. Regularly till the litigation is concluded or dispute is resolved:**
- a) the details of any change in the status and / or any development in relation to such proceedings;
  - b) in the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings;
  - c) in the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/penalty paid (if any) and impact of such settlement on the financial position of the listed entity.
- 8. Frauds/ defaults by directors (other than key managerial personnel) or employees of the listed entity.**
- 9. Options to purchase securities (including any Share Based Employee Benefit (SBEB) Scheme) at the time of instituting the scheme and vesting or exercise of options:**
- a) brief details of options granted;
  - b) whether the scheme is in terms of SEBI (SBEB) Regulations, 2014 (if applicable);
  - c) total number of shares covered by these options;
  - d) pricing formula;
  - e) options vested;



- f) time within which option may be exercised;
- g) options exercised;
- h) money realized by exercise of options;
- i) the total number of shares arising as a result of exercise of option;
- j) options lapsed;
- k) variation of terms of options;
- l) brief details of significant terms;
- m) subsequent changes or cancellation or exercise of such options;
- n) diluted earnings per share pursuant to issue of equity shares on exercise of options.

**10. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals:**

- a) name of the regulatory or licensing authority;
- b) brief details of the approval/license obtained/ withdrawn/ surrendered;
- c) impact/relevance of such approval/license to the listed entity;
- d) withdrawal/cancellation or suspension of licence / approval by the regulatory or licensing authority, with reasons for such action, estimated impact (monetary or otherwise) on the listed entity and penalty, if any;
- e) period for which such approval/license is/was valid;
- f) Subsequently, the listed entity shall inform the stock exchange(s), the actual impact (monetary or otherwise) along with corrective actions taken by the listed entity pursuant to the withdrawal, cancellation or suspension of the key license/ approval.

**11. Giving guarantees or indemnity or becoming a surety for any third party.**

**(For ready reference, please refer the Annexure to determine whether a particular event or information is material in nature, if it falls under the category of more than 20% of Net worth or 5% of Total Income).**

**III. PARA C OF PART A OF SCHEDULE III OF LISTING REGULATIONS:**

**Any other information / event having significant impact {Para C of Part A of Schedule III to the SEBI (LODR) Regulations}:**

The Bank shall disclose:

- a) any other event / information viz., major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts etc., and brief details thereof; and
- b) any other information which is exclusively known to the Bank which may be necessary to enable the holders of securities of the Bank to appraise its position and to avoid the establishment of a false market in such securities.

**(For ready reference, please refer the Annexure to determine whether a particular event or information is material in nature, if it falls under the category of more than 20% of Net worth or 5% of Total Income).**

**IV. PARA D OF PART A OF SCHEDULE III OF LISTING REGULATIONS:**

**Any other event / information specified by SEBI {Para D of Part A of Schedule III to the SEBI (LODR) Regulations}:**

Without prejudice to the generality of Para A, B and C above, the Bank shall make disclosure of event / information as specified by SEBI from time to time.

**V.PART B: DISCLOSURE OF INFORMATION HAVING BEARING ON PERFORMANCE / OPERATION OF LISTED ENTITY AND/ OR PRICE SENSITIVE INFORMATION WITH RESPECT TO COMPANIES WHICH HAS LISTED ITS NON-CONVERTIBLE SECURITIES**

The listed entity shall promptly inform the stock exchange(s) of all information which shall have bearing on performance/operation of the listed entity or is price sensitive or shall affect payment of interest or dividend or redemption payment of non-convertible securities including:

1. 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;
2. any attachment or prohibitory orders restraining the listed entity 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;
3. any action which shall result in the redemption, reduction, cancellation, retirement in whole or in part of any non-convertible securities;
4. 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;
5. 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;
6. any changes in the general character or nature of business / activities, disruption of operation due to natural calamity (earthquake, flood, fire etc.)
7. any events such as strikes and lock outs, which have a bearing on the interest payment/ dividend payment / principal repayment capacity;
8. 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, listed entity and /or the assets along with its comments thereon, if any;
9. delay/ default in payment of interest or dividend / principal amount /redemption for a period of more than three months from the due date;
10. failure to create charge on the assets within the stipulated time period;
11. 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 listed entity with any investor(s)/lender(s).
12. 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:
13. any revision in the rating;
14. 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;
15. all information, report, notices, call letters, circulars, proceedings, etc concerning non-convertible debt securities;
16. The listed entity shall disclose the outcome of meetings of the board of directors to the Exchange(s), within thirty minutes of the closure of the meeting, held to consider the following:
  - (a) the decision with respect to fund raising proposed to be undertaken by way of non-convertible securities;
  - (b) financial results

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.

17. fraud/defaults by promoter or key managerial personnel or director or employees of listed entity or by listed entity or arrest of key managerial personnel or promoter;
18. change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer;
19. in case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty-four hours of receipt of such reasons from the auditor;
20. 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.
21. One-time settlement with a bank;
22. Winding-up petition filed by any party / creditors;
23. Proceedings of Annual and extraordinary general meetings of the listed entity;
24. 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 the 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 the amount of default or rejection or withdrawal, as applicable;
  - d) Public announcement made pursuant to the order passed by the Tribunal under section 13 of The Insolvency and Bankruptcy Code 2016;
  - e) List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the Insolvency and Bankruptcy Board of India (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 The Insolvency and Bankruptcy Code, 2016 in the Form specified under regulation 36A (5) of the Insolvency and Bankruptcy Board of India (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 and Bankruptcy Code 2016, 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 Bank's' assets;
    - (iv) Other material liabilities imposed on the Bank;
    - (v) Detailed pre and post shareholding pattern assuming 100% conversion of convertible securities;
    - (vi) Details of funds infused in the Bank, 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 Profits Earning (P / E Ratio), Return on Net worth (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.
25. intimation related to any change in terms of issue or redemption or exercising of call/ put options;
  26. 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;
  27. intimation related to forfeiture of unclaimed interest or dividend or principal amount; (28) intimation related to any change in the debenture trustee or Credit Rating Agency or Registrar and Share Transfer Agent;
  28. intimation of comfort/guarantee or any credit enhancement provided by the listed entity to a third party;
  29. 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.

#### **VI. PART C: DISCLOSURES OF MATERIAL EVENTS OR INFORMATION: INDIAN DEPOSITORY RECEIPTS**

Not applicable since the Bank (Listed Entity) has not issued any Indian Depository Receipts.

#### **VII. PART D: DISCLOSURE OF INFORMATION HAVING BEARING ON PERFORMANCE/ OPERATION OF LISTED ENTITY AND/OR PRICE SENSITIVE INFORMATION: SECURITISED DEBT INSTRUMENT**

Not applicable since the Bank (Listed Entity) has not issued any Securitised Debt Instrument.

#### **VIII. PART E: DISCLOSURE OF EVENTS OR INFORMATION TO STOCK EXCHANGES: SECURITY RECEIPTS**

Not applicable since the Bank (Listed Entity) has not issued any Security Receipts.

### **6. CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENT AND / OR INFORMATION:**

The Bank shall consider the following criteria for determination of materiality of events / information for disclosure:

- 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) In case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors of the Bank, the event / information is considered material.

### **7. TIMELINE FOR DISCLOSURE**

The Bank shall first disclose to BSE and NSE, the material events as specified in Para B of Part A of Schedule III as soon as reasonably possible and not later than 24 hours from the occurrence of event or information.

Events pertaining to financials as per clause 4 of Para A of Part A of Schedule III of LODR and clause 16 of Para A of Part B of Schedule III of LODR, which are outcome of meetings of the Board of Directors, to be intimated to NSE and BSE within 30 minutes of the closure of the Board meeting.

However, in accordance with Regulation 63 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if the Bank has submitted any information to the stock exchange in compliance with the disclosure requirements under Chapter IV (Para A and Para B of Part A of Schedule III of LODR), need not re-submit any such information under the provisions of LODR without prejudice to any power conferred on the Board or the stock exchange or any other authority under any law to seek any such information from the listed entity.

## **8. WEBSITE UPDATION**

The Bank shall disclose on its website all such material events or information which has been disclosed to stock exchange(s) under SEBI (LODR) Regulations and such disclosures shall be hosted on the website of the Bank for a minimum period of five years

## **9. IMPLEMENTATION OF POLICY**

Our Bank's General Managers shall report important events, if any, which may occur in their area of operation, to MD & CEO or in his absence the ED/s immediately on happening of such events to enable determination of its materiality and for disclosure to the stock exchanges, if necessary.

In order to determine whether a particular event or information is material in nature, the Bank may consider the 'quantitative' and/or 'qualitative criteria(s)' mentioned below:

### **(a) Quantitative:**

- where the value involved or the impact exceeds 5% of the total income of the Bank as per the last audited financial statements or exceeds 20% of the net worth of the Bank as per the last audited financial statements; (the lower of the two thresholds shall be taken as the trigger);

### **(b) Qualitative:**

- omission of which is likely to :
  - result in a discontinuity of information already available publicly; or
  - result in significant market reaction if the said omission came to light at a later date

In circumstances where the 'quantitative' test may not be applicable, the 'qualitative', test may be applied to determine the materiality.

## **10. POLICY REVIEW**

If any change is subsequently approved to this policy, consequent upon any change in regulatory guidelines / operating instructions etc., such changes with the approvals of the designated authority shall be deemed to be a part of the policy till the policy is comprehensively reviewed.

## **11. OPERATIONAL INSTRUCTIONS**

Compliance Officer of the Bank for SEBI is our Company Secretary and he/she is responsible for ensuring the process flow as follows.

Our Bank's General Managers / Vertical Heads / Overseas Country Heads are required to report important events, if any, which may occur in their area of operation to enable determination of its materiality and for disclosure to the stock exchanges, if necessary.

**Upon happening of an event which in the opinion of the concerned RM / GM / Vertical Head/ Country Head is material, the same is to be referred to GM – BSMD & CFO.**



- **Determination of Materiality of an event to be assessed by Accounts Department (BSMD).**
- **Overseen by Investor Relations Cell.**
- **Group of GMs Viz., GM (BSMD), GM(RMD), GM(Inspection) to analyse the impact.**
- **To be verified by Compliance Officer before disclosure with guidelines.**

GM – BSMD & CFO / Company Secretary are thereafter responsible for reporting the event to Stock Exchanges.

It is to be ensured that timelines for reporting to Stock Exchanges as detailed above be strictly adhered.

- 12.** The Bank shall, with respect to disclosures referred to in SEBI (LODR) Regulations, make disclosures updating material developments on a regular basis, till such time the event is resolved / closed, with relevant explanations.
- 13.** The Bank shall disclose all material events or information with respect to its material subsidiaries, if any, to the stock exchanges, where the shares of the Bank are listed.
- 14.** The Bank shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- 15.** The Bank may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

\*\*\*\*\*

## ANNEXURE

Determination of whether a particular event or information is material in nature:

(Rs. in crore)

Indicators	31.03.2019	31.03.2020	31.03.2021	31.03.2022
Total Income	21,837.58	20,712.48	22,524.55	21,632.89
5% of Total Income	1,091.88	1,035.62	1,126.23	<b>1,081.64</b>
Net Worth	5,875.20	5,840.00	6,752.40	12,356.11
20% of Net Worth	1,175.04	1,168.00	1,350.48	<b>2,471.22</b>

\*\*\*\*\*