

BANK OF MAHARASHTRA

POLICY FOR DETERMINATION OF MATERIALITY OF AN EVENT OR INFORMATION AND ITS DISCLOSURE

1. LEGAL FRAMEWORK:

This Policy for Determination of Materiality of Events or Information (the “Policy”) is aimed at providing guidelines to the Management of Bank of Maharashtra (the “Bank”), to determine the materiality of events or information, which could affect the investment decisions and ensure timely and adequate dissemination of information to the stock exchanges. This Policy has been formulated in accordance with the current guidelines laid down by Securities Exchange Board of India (“SEBI”), under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), with respect to disclosure of events and information.

The objective of this Policy is to serve as a guiding charter to the Management so as to ensure timely and adequate disclosure of events or information are made to the investor community by the Bank under the Listing Regulations, to enable them to take well informed investment decisions with regard to the securities of the Bank.

2. CRITERIA FOR DETERMINATION OF MATERIALITY:

Materiality has to be determined on case-to-case basis depending on the specific facts and circumstances relating to the event / information. The Bank shall disclose the information subject to the following materiality:

- (a) Deemed Material Events / Information Pursuant to Regulation 30 of the Regulations, the events / information specified in Schedule A of this Policy shall be deemed to be material events / information requiring mandatory disclosure.
- (b) In order to determine whether a particular event/information as specified in Schedule B is material in nature, the Bank shall consider the following criteria:
 - the omission of which is likely to result in a discontinuity of information already available publicly; or
 - 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; or
 - any other event/information which is treated as Material in the opinion of the Board of Directors of the Bank .

(c) Information pursuant to issuance of Non-Convertible Debentures issued by the Bank, from time to time, as set out in Para B of Schedule III, as set out in Annexure 'C' to this Policy.

3. TIMELINE FOR DISCLOSURE:

The Bank shall make disclosure to Stock Exchange(s) of all events specified in Schedule A of this policy, as soon as reasonably possible but not later than twenty four hours from the occurrence of event or information and/or on becoming aware of it.

Provided that in case the disclosure is made after twenty-four hours of occurrence of the event or information, the Bank shall, along with such disclosures provide explanation for delay.

Provided further that disclosure with respect to events specified in Point 4 of Schedule A of this policy, shall be made within thirty minutes of the conclusion of the Board meeting.

The Bank shall disclose all events or information with respect to subsidiaries which are material for the listed entity.

The Bank shall disclose on its website all such events or information which has been disclosed to stock exchange(s) and such disclosures shall be hosted on the website of the Bank.

The Bank may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

The Bank shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information:

4. AUTHORITY FOR DETERMINATION AND DISCLOSURE OF MATERIALITY OF EVENTS / INFORMATION:

In terms of Regulation 30(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Bank has authorized General Manager (FMA), General Manager (IRM and Credit Monitoring) and General Manager (Board Matters) of the Bank to determine the materiality of an event or information severally/ jointly and to make disclosures to the Stock Exchanges and that the contact details of such personnel shall be disclosed to the stock exchange(s) and as well as on the Bank's website.

Further, DGM (Investor Services) and Board Secretary and Company Secretary being the Compliance Officer are also authorized to make disclosures to the Stock Exchanges and as well as on the Bank's website.

5. IMPLEMENTATION OF POLICY:

Under the system, all the General Managers of the Bank who are responsible for their relevant areas of the Bank's operations shall report important events/ information, if any, which may occur in their area of operation to General Manager (FMA), General Manager (IRM and Credit Monitoring) and General Manager (Board Matters) of the Bank to enable them to determine the materiality of events/ information and for disclosure to the stock exchanges, if necessary. While reporting the information, the likely impact on the revenue /profitability/ reputation may also be reported to enable determination of materiality.

6. AMENDMENT:

Any change in the Policy shall be approved by the Board of Directors of the Bank. The Board of Directors shall have the right to withdraw and / or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding.

SCHEDULE A

(As per part A Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURES OF EVENTS OR INFORMATION which shall be disclosed without any application of the guidelines for materiality:

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 Bank or any other restructuring.

Explanation - For the purpose of this sub-para, the word 'acquisition' shall mean,-

- (i) acquiring control, whether directly or indirectly; or,
 - (ii) acquiring or agreeing to acquire shares or voting rights in, a company, whether directly or indirectly, such that –
 - (a) the listed entity 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-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
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. Revision in Rating(s).
 4. Outcome of Meetings of the board of directors: The listed entity 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 listed entity from stock exchange(s).
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.
 6. Fraud/ Defaults by promoter or key managerial personnel by the Bank 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.,) Auditors and Compliance Officer.
 8. Appointment or discontinuation of share transfer agent.
 9. Corporate debt restructuring, if any done for the Bank
 10. One time settlement by the Bank of its borrowings, if any.
 11. Reference to BIFR and 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 listed entity.
 13. Proceedings of Annual and extraordinary general meetings of the listed entity.
 14. Amendments to memorandum and articles of association of listed entity, in brief.
 15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

SCHEDULE B

DISCLOSURES OF EVENTS OR INFORMATION which shall be disclosed upon application of the guidelines for materiality:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or 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) (as a borrower) 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 listed entity 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 listed entity.
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Bank.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Any other information/event 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 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.

SCHEDULE C

Disclosure of Information Having Bearing on Performance/Operation of Listed Entity and/or Price Sensitive Information: Non-Convertible Debt Securities & Non-Convertible Redeemable Preference Shares.

Bank shall promptly inform to 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 of non-convertible preference shares or redemption of non convertible debt securities or redeemable preference shares including:

1. Expected default in timely payment of interests/preference dividend or redemption or repayment amount or both in respect of the non-convertible debt securities and non-convertible redeemable preference shares and also default in creation of security for debentures as soon as the same becomes apparent.
2. Any attachment or prohibitory orders restraining the listed entity from transferring non-convertible debt securities or non-convertible redeemable preference shares 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, conversion, cancellation, retirement in whole or in part of any non-convertible debt securities or reduction, redemption, cancellation, retirement in whole or in part of any non-convertible redeemable preference shares.
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 debt securities or non-convertible redeemable preference shares 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, and commencement of commercial production / commercial operations.
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).

Explanation.- For the purpose of this sub-para, 'default' shall mean Non-payment of interest or principal amount in full on the pre-agreed date and shall be recognized at the first instance of delay in servicing of any interest or principal on debt.

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 debenture holders, or in any other way.
15. All the information, report, notices, call letters, circulars, proceedings, etc concerning non-convertible redeemable preference shares or non convertible debt securities.
16. Any other change that shall affect the rights and obligations of the holders of non-convertible debt securities / non-convertible redeemable preference shares, any other information not in the public domain necessary to enable the holders of the listed securities to clarify its position and to avoid the creation of a false market in such listed securities or any other information having bearing on the operation/performance of the listed entity as well as price sensitive information.
