



Policy for Determination of Materiality for Events/ Information and Disclosure thereof to the Stock Exchange

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1. Introduction

Regulation 30 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations), requires SBI Life Insurance Company Limited (“the Company”) to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, based on the criteria specified in the said Regulation and the events/information that would be disclosed would be as presently prescribed by SEBI vide circular CIR/CFD/CMD/4/2015 dated September 9, 2015 and as would be amended from time to time.

1.1 Purpose

The purpose of this policy is as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly traded company as laid down by the Listing Regulations
- b. To ensure that the information disclosed by the Company is timely and transparent
- c. To ensure that the corporate documents and public statements are accurate and do not contain any misrepresentation
- d. To protect the confidentiality of materiality / price sensitive information within the context of the Company's disclosure obligations
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures
- g. To assist the relevant employees of the Company in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).

1.2 Scope

The policy shall be called the “Policy for Determination of Materiality for events / information and Disclosure thereof to the stock exchange” which outlines the basis for determining ‘Materiality of an event and/or Information’, for making disclosures under Regulation 30 of the Listing Regulations to the Stock Exchanges.

This Policy shall be read together with the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information formulated and adopted by the Company to lay down the procedures and practical guidelines that would be followed by the Company for the consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive information.

The policy, by no means dilutes any requirement specified under the provisions of the Listing Regulations. In case of any ambiguity, the Listing Regulations shall override the contents of the Policy.

1.3 Review and approval of the policy

The policy will be reviewed by Board Audit Committee and will be recommended to the Board of Directors for approval, at least annually or as and when required.

2. Policy Requirements

2.1 Determination of materiality of event and / or information

An event and/ or information shall be considered material if the omission of which is likely to result in discontinuity or alteration of event or information already available publicly; or if 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 if the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

- a. two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
- b. two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
- c. 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 listed entity

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

2.2 Authority for determining materiality of event and / or information

The Chief Financial Officer or failing him any Key Managerial Personnel (KMP) authorised by the Managing Director will be authorised to determine the materiality of an event or information and for the purpose of advising on the disclosure to the stock exchanges.

2.3 Timeline for disclosure of all material events or information in terms of the provisions of the Listing Regulations

The Company shall disclose to the stock exchange(s) all events or information which are material in terms of the parameters mentioned in 2.1 above as soon as reasonably possible and in any case not later than the following:

- (a) 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;
- (b) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- (c) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

However, the events or information specified below in 2.4.1, shall be disclosed as per the timelines specified in Annexure II of SEBI Circular No.: SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 and subsequently as amended from time to time. Further, in case of any delay, an explanation shall be provided by the Company in this regard.

2.4 Disclosures of events or information to stock exchanges

Where the Company is in receipt of any communication from any regulatory, statutory, enforcement or judicial authority in respect of any event or information, the Company shall disclose such communication unless prohibited by the authority. The events or information which will be necessary to be disclosed to the Stock Exchanges are given below:

2.4.1 Events whose disclosure is mandatory and which would need to be disclosed without any application of the test/guidelines for materiality.

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

Explanation (1) - the word 'acquisition' shall mean, -

(A) acquiring control, whether directly or indirectly; or,

(B) acquiring or agreeing to acquire shares or voting rights in, a company, whether existing or to be incorporated, 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 (B) 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-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 Company; or 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 subclause (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 same meaning as given under section 180 of the Companies Act, 2013

- ii. 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.
- iii. New rating(s) or Revision in Rating(s).
- iv. Outcome of meetings of the board of directors: The Company shall intimate to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider or decide the following:
 - 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;
 - any cancellation of dividend with reasons thereof;
 - the decision on buyback of securities;
 - the decision with respect to fund raising proposed to be undertaken;
 - increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
 - 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;
 - short particulars of any other alterations of capital, including calls;
 - financial results;
 - decision on voluntary delisting by the listed entity 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.

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

- v. Agreements (viz. shareholder agreement(s), joint venture 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.
- v(a). Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company 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 Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements:

Exception: Agreements entered into by the Company 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 Company or they are required to be disclosed in terms of any other provisions of these regulations.

- vi. Fraud/ Defaults by the Company, promoter, director, key managerial personnel, senior management or subsidiary of the Company or arrest of key managerial personnel, senior management, promoter or director of the Company, whether occurred within India or abroad.

‘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

‘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 listed entity.

- vii. Change in directors, key managerial personnel, senior management, Auditor and Compliance Officer.
- A. 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.
- B. Resignation of Independent Director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
- 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 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 the sub-clause (i) above.
 - C. 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 Company within seven days from the date that such resignation comes into effect.
 - D. In case the Managing Director or Chief Executive Officer of the Company 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).
- viii. Appointment or discontinuation of share transfer agent.
- ix. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:
- Decision to initiate resolution of loans/borrowings;
 - Signing of Inter-Creditors Agreement (ICA) by lenders;
 - Finalization of Resolution Plan;
 - Implementation of Resolution Plan;
 - Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.
- x. One-time settlement with a Bank.
- xi. Winding up petition filed by any party / creditors.
- xii. 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.
- xiii. Proceedings of annual and extraordinary general meetings of the listed entity along with prescribed details.
- xiv. Amendments to memorandum & articles of association of listed entity in brief.
- xv. Schedule of analyst or institutional investor meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations on financial results made by the listed entity to analysts or institutional investors. 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 Prescribed manner.
- Explanation: 'meet' shall mean group meetings or group conference calls conducted physically or through digital means;
- xvi. Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.
- xvii. Initiation of Forensic audit

- xviii. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of Company, in relation to any event or information which is material for the Company and is not already made available in the public domain by the Company
- xix. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company 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
- xx. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, 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
- xxi. Voluntary revision of financial statements or the report of the Board of Directors of the Company under section 131 of the Companies Act, 2013

The KMP authorised under this Policy will determine on the disclosure of events or information to the Stock Exchanges based on the application of the test of materiality as mentioned above. In addition to this, the KMP, while determining the materiality, will do so on a case to case basis depending on specific facts/ circumstances relating to the information/ event and apply such other qualitative/ quantitative criteria if required and as may be deemed appropriate to the event.

2.4.2 The following shall be events / information of which the Company shall make disclosure to the stock exchange(s) upon application of the guidelines for materiality as specified in the Policy

- i. Commencement or any postponement in the date of commencement of commercial operations of any unit/division.
- ii. Any of the following events pertaining to the listed entity:
 - (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).
- iii. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts, not in the normal course of business.
- iv. Product launch
- v. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- vi. 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.
- vii. Effect(s) arising out of change in the regulatory framework applicable to the Company.
- viii. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
- ix. Frauds/defaults by employees of the Company which has or may have an impact on the Company. IRDAI has laid down regulatory framework for all insurance companies with respect to reporting of frauds.
- x. 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.
- xi. Giving of guarantees or indemnity or becoming a surety for whatever name called for any third party other than in the ordinary course of business.
- xii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- xiii. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.
- xiv. Any other event which is in the nature of major development that is likely to affect business of the Company
- xv. Any other information exclusively known to the Company which may be necessary to be disseminated to enable the holders of the securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

The Company will disclose all events or information with respect to subsidiaries which are material from the perspective of the Company.

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

Pursuant to amendment in Listing Regulations, 2015 dated June 14, 2023, listed entities shall confirm, deny or clarify any reported event or information in the mainstream media which is not general in nature and which indicates that rumours of an impending specific material event or information in terms of the provisions of this regulation are circulating amongst the investing public, as soon as reasonably possible and not later than twenty four hours from the reporting of the event or information:

Provided further that if the listed entity confirms the reported event or information, it shall also provide the current stage of such event or information.

2.5 Disclosure of certain types of agreements binding the Company

All the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel and employees of a listed entity or of its holding, subsidiary and associate company, who are parties to the agreements specified in clause v(a) of 2.4.1 in the Policy, shall inform the Company about the agreement to which such a Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements.

The Company shall disclose the number of subsisting agreements their salient features, including the link to the webpage where the complete details of such agreements are available, in the Annual Report for the financial year 2022-23 or for the financial year 2023-24

2.6 Disclosures on Website

The Company 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 Company.

2.7 Responsibility

The KMP authorised under this Policy will review the Policy from the perspective of the Listing Regulations and determine the events/information for disclosure as may be amended by SEBI from time to time. All such amendments will be informed to the Board and the approval of the Board will be sought to align the policy in line with the SEBI Listing Regulations.

3. Record keeping

All documents shall be preserved for a period as specified in the applicable regulations and as per Board approved Record Maintenance and Document Retention Policy.

4. Appendices

4.1 Definitions

4.1.1 “Key Managerial Personnel” for the purpose of Listing Regulations means the Managing Director & CEO, Chief Financial Officer and Company Secretary of the Company.

4.1.2 “Listing Regulations” means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including subsequent modifications issued to the same from time to time.

4.1.3 “Mainstream media” shall include print or electronic mode of the following:

- i) Newspapers registered with the Registrar of Newspapers for India;
- ii) News channels permitted by Ministry of Information and Broadcasting under Government of India;
- iii) Content published by the publisher of news and current affairs content as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021; and
- iv) Newspapers or news channels or news and current affairs content similarly registered or permitted or regulated, as the case may be, in jurisdictions outside India

4.1.4 “Stock Exchange” means the Bombay Stock exchange limited and National Stock exchange of India or any other recognized stock exchanges where the securities of the Company are listed.

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

4.1.6 “The Policy” shall mean ‘Policy for determination of materiality for events/ information and disclosure thereof to the stock exchange’.
