



Siemens Limited

Policy for determination of Materiality of any Event / Information

Version history of the Policy:

Effective date	Particulars
1 st December 2015	Inception of Policy
17 th November 2018	Revision of Policy



SIEMENS LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF ANY EVENT / INFORMATION

1. Preface

This Policy is framed in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) for the determination of “materiality” in respect of disclosure of events or information as required by the Listing Regulations.

2. Definitions

In this Policy unless the context otherwise requires:

- i. **“Act”** means the Companies Act, 2013 and rules made thereunder, as amended from time to time.
- ii. **“Company”** means Siemens Limited.
- iii. **“Listing Regulations”** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
- iv. **“Normal course of business”**: A transaction shall be deemed to be in the normal course of business if it is entered into in relation to provision of goods or services in which the Company regularly deals or where the transaction is in respect of goods or services in which the counterparty normally deals and the Company repeatedly enters into such transactions for the purpose of its business or the transaction is necessary, normal and incidental to business.
- v. **“Policy”** means the Company’s Policy on Determining Materiality of any event or information.
- vi. **“Unit” / “Division”** shall have the same meaning of “undertaking” as provided under the Act.

3. Deemed material events or information

The events or information, which are listed herein below, shall be deemed to be material events or information and will be disclosed, without applying any materiality criteria:

- a) 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 Company or any other restructuring.

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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 Company 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.
- b) 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.
- c) Revision in Rating(s).
- d) Outcome of Meetings of the board of directors, in respect of:
- i. 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;
 - ii. any cancellation of dividend with reasons thereof;
 - iii. the decision on buyback of securities;
 - iv. the decision with respect to fund raising proposed to be undertaken
 - v. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
 - vi. 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;
 - vii. short particulars of any other alterations of capital, including calls;
 - viii. financial results;
 - ix. decision on voluntary delisting by the Company from stock exchange(s).
- e) Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the Company), 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.
- f) Fraud / defaults by promoter or key managerial personnel or by Company or arrest of key managerial personnel or promoter.
- g) Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- h) Appointment or discontinuation of share transfer agent.
- i) Corporate debt restructuring.
- j) One time settlement with a bank.
- k) Reference to BIFR and winding-up petition filed by any party / creditors.



- l) 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 Company.
- m) Proceedings of Annual and extraordinary general meetings of the Company.
- n) Amendments to memorandum and articles of association of the Company, in brief.
- o) Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

4. Guidelines for determining Materiality

- i. The Managing Director and Chief Executive Officer and the Executive Director and Chief Financial Officer of the Company for the time being, jointly shall determine, on a case to case basis, the materiality of any events or information under Clause 4(ii) below, by applying the following criteria:
 - (a) if the omission of disclosure of an event or information, is likely to result in discontinuity or alteration of event or information already available publicly; and
 - (b) the omission of disclosure of an event or information is likely to result in significant market reaction if the said omission comes to light at a later date.
- ii. The events or information, which will be disclosed based on application of materiality criteria as mentioned under Clause 4(i) above, are as follows:
 - a) Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
 - b) 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).
 - c) Capacity addition or product launch.
 - d) Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
 - e) 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.
 - f) Disruption of operations of any one or more units or division of the Company due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
 - g) Effect(s) arising out of change in the regulatory framework applicable to the Company.
 - h) Litigation(s) / dispute(s) / regulatory action(s) with impact.

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- i) Fraud/defaults etc. by directors (other than key managerial personnel) or employees of Company.
- j) Options to purchase securities including any ESOP/ESPS Scheme.
- k) Giving of guarantees or indemnity or becoming a surety for any third party.
- l) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
- m) 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 Company, disclosure whereof may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

5. Disclosure

Any one of the Key Managerial Personnel shall make the required disclosures on behalf of the Company for material events or information to Stock Exchange(s).

6. Reporting to the Board of Directors

Any event or information which has been disclosed to the stock exchange(s), as per Clause 4 above, shall be reported to the Board of Directors at the immediate next Board Meeting.

7. Amendments to the Policy

Any subsequent amendment(s) / modification(s) in the Listing Regulations and / or other applicable laws in this regard shall automatically apply to this Policy.