

3M India Limited – Policy for Disclosure of Events or Information

Purpose

This policy for disclosure of events or information is made pursuant to the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations dated September 02, 2015 (“**Regulations**”), and is effective December 1, 2015.

Authorized Persons

The materiality of information/event for the purpose of and its disclosure under the Regulations will be determined collectively by Managing Director, Whole-time Director, CFO and Company Secretary (“**Authorized Persons**”). The Company Secretary shall be the custodian of the disclosure process and documentation.

Criteria for Determination of Materiality

1. Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the information/event. In order to determine whether a particular event/information is material in nature, both ‘quantitative’ and ‘qualitative’ criteria may be found to be relevant and applied, as deemed appropriate by the Authorized Persons.
2. The materiality criterion for an event/information to be disclosed is given in **Annexure 1**.
3. The ‘qualitative’ criteria to determine materiality may encompass the following:
 - a) the omission of an event or information which is likely to:
 - I. result in discontinuity or alteration of an event already available publicly; or
 - II. result in significant market reaction if the omission came to light at a later date.
 - b) In the opinion of the Board, the information/event ought to be disclosed.
4. Authorized Persons shall have the authority to review the quantitative materiality criteria specified in Annexure 1 and revise it in the range of 5% of the specified criteria.

Deemed material events

Events specified in **Annexure 2** are deemed to be material events under the Regulations, and shall have to be necessarily disclosed without any criteria.

General

1. The Board or the Authorized Persons may determine any other event/information as ‘material’ for the purpose of and make its disclosure under the Regulations, provided the Board is informed of the same before or upon the occurrence of the event or the availability of the information.
2. All disclosures under the Regulations will be made in accordance with the Regulations and as per the prescribed timelines.
3. The disclosures shall be hosted on the website of the Company for five years.
4. Any queries in relation to this Policy may be addressed to Company Secretary and Compliance Officer of the Company.
5. The Policy has been approved by the Board of Directors at their meeting held on October 30, 2015.

Annexure 1

(Events as per Para B of Part A of Schedule III of the Regulations)

S. No.	Event/Information	Materiality Criterion
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.	Impact exceeding 5% of turnover as per the last audited Balance Sheet.
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	Impact exceeding 5% of turnover as per the last audited Balance Sheet.
3	Capacity addition & product launch	Capacity addition exceeding 50% of the existing capacity of the concerned plant. Product launch expected to contribute 2% or more to the turnover of the Company, during the year of its launch.
4	Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Consideration exceeding INR 750 million
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.	Long term loans for an amount exceeding INR 2000 million
6	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.	Complete shutdown of operations of any one or more units or division of the Company for more than 3 days.
7	Effect(s) arising out of change in the regulatory framework	Impact exceeding 5% of turnover as per the last audited Balance Sheet.
8	Litigation(s)/dispute(s)/regulatory action(s) with impact.	Outcome of litigation/dispute/regulatory action likely to have impact of not less than 5% of the turnover as per the last audited Balance Sheet.
9	Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.	Exceeding INR 50 million
10	Options to purchase securities including any ESOP/ESPS Scheme.	Not Applicable *
11	Giving of guarantees or indemnity or becoming a surety for any third party.	Guarantees or indemnity or becoming surety for a cumulative sum exceeding Rs. 500 million.
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Impact exceeding 5% of the turnover as per the last audited Balance Sheet.
13	Planned Maintenance affecting production	Estimated impact exceeding 2% of the turnover as per the last audited Balance Sheet.

**the Company currently does not have any ESOP/ESPS scheme.*

Annexure 2

(Events as per Para A of Part A of Schedule III of the Regulations)

1. Acquisition (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.
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 or by 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.
8. Appointment or discontinuation of share transfer agent.
9. Corporate debt restructuring.
10. One time settlement with a bank.
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.