

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

The Board of Directors of Cummins India Limited (“the Company”) has adopted the following policy and procedures with regard to disclosure of material events/ information to the Stock Exchanges at their Meeting held on November 05, 2015 (“Policy”), considering enactment of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) by Securities and Exchange Board of India (“SEBI”) effective December 01, 2015.

This Policy is framed in pursuance of *inter-alia* Regulation 30 of the said Regulations, as amended from time to time, and the applicable Circulars issued by SEBI.

1. Objective

The objective of this Policy is to ensure that the Company makes disclosures of any events or information which, in the opinion of the Board of Directors of the Company, is material.

2. Definition

2.1. Board: Means the Board of Directors of the Company.

2.2. Key Managerial Personnel: Means Key Managerial Personnel (“KMP”), as defined under the Companies Act, 2013 from time to time and as mentioned below:-

- a. the Chief Executive Officer or the Managing Director or the Manager;
- b. the Company Secretary;
- c. the whole-time director;
- d. Chief Financial Officer;
- e. such other Officer, not more than one level below the Directors who is in whole-time employment, designated as Key Managerial Personnel by the Board; and
- f. such other officer as may be prescribed.

2.3. Relevant Employees: shall encompass the key management and senior management of the Company as defined in Nomination and Remuneration Policy which more specifically includes Managing Director, Chief Financial Officer, Company Secretary, Legal head, Human Resources head, Power System Business Unit head and Distribution Business Unit head.

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

3. Policy

3.1. Material Events

- (a) Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed without any application of the guidelines for materiality

- (b) Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed based on application of materiality criteria.

Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the said Regulations (as may be amended from time to time) shall be made within such timelines as prescribed under the SEBI Listing Regulations as amended from time to time and read with relevant circulars, notifications issued in this behalf.

Provided further that materiality must be determined on a case-to-case basis for the matters applicable to the Subsidiary (present or future) and matters in addition to those covered in Para A, Para B and Para C of Schedule III of the Regulations.

3.2. Guidelines for identification and reporting material events by Relevant Employees

The Relevant Employees shall be responsible to identify the potential material events or information as listed in Annexure I of this policy which is available on the website of the Company.

Further an identified potential material events or information shall promptly be reported by the Relevant employees to Managing Director or Chief Financial Officer (“Authorized Persons”) on their designated official email address. Thereafter, Authorized Persons shall determine the materiality of said events or information and make necessary disclosures to stock exchange(s).

In case of any questions with respect to potential material events, the Relevant Employees may reach out to Authorized Persons for clarification.

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

3.3. Guidelines for Assessing Materiality

While determining the materiality as mentioned hereinabove the material facts and the circumstances pertaining to the events or information should be considered. Either positive or negative information may be material to the Company or its Subsidiary (present or future) as the case may be. Additionally Authorized Persons shall also consider threshold as mentioned in clause (a) of 3.3 of this Policy. The Authorized Persons are also empowered to seek appropriate counsel or guidance, as and when necessary, from internal or external stakeholders/ consultants, as may deem fit.

- (a) The following quantitative criteria shall be used as a guiding principle for determination of materiality of events or information and arriving at the overall decision on the events or information to be reported by the Authorized Persons:
- i. the omission of an event or information which is likely to :
 - result in a discontinuity or alteration of an events or information already available publicly; or
 - result in significant market reaction if the said omission came to light at a later date; or
 - result in 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 Company;
 - b) two percent of net worth, as per the last audited consolidated financial statements of the Company, 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 Company
 - ii. Any event or information having a significant risk to the reputation of the Company.
 - iii. In the opinion of the Board of Directors of the Company or any of the Authorized Persons, the events or information ought to be disclosed though not required to be statutorily intimated.

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

3.4. Timeline for disclosure

The Company shall disclose all events or information within the timelines specified in the SEBI Listing Regulations as amended from time to time and read with relevant circulars, notifications issued in this behalf.

3.5. Authority to disclose the Material Events

In pursuance of Clause 3.1, 3.2 and 3.3, once the events or information is qualified or determined as Material Event, the Authorized Persons are severally authorized to *inter-alia*:

- a. make required disclosures to the stock exchange(s) on which the shares of the Company are listed as well as on the official website of the Company within the stipulated time of actual occurrence of an event or information, after ascertaining the facts;
- b. disclose material developments with relevant explanations on a regular basis, till such time the Material Event is resolved/closed;
- c. consider such other events or information that may require disclosure to be made to the stock exchange(s) which are not explicitly defined in the said Regulations or Annexure I of this Policy and determine the materiality, appropriate time and contents of disclosure for such matters
- d. disclose the Material Event/s or information with respect to subsidiaries which are material for the Company, if any;
- e. provide specific and adequate reply to all queries raised by the stock exchange(s) with respect to any events or information;
- f. confirm or deny any reported event or information to the stock exchange(s);
- g. confirm the Material Event/s or information along with current stage of such event or information;
- h. in case where an event occurs or an information is available with the Company, which has not been indicated in "Annexure I", but which may have material effect on it, make adequate disclosures in regard; and
- i. disclose on its website all such events or information which has been disclosed to the stock exchange(s) under the said Regulations, and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the Document Preservation and Archival Policy of the Company, as disclosed on its website.
- j. in case the disclosure is made after the timelines specified in the policy or in the said Regulations of the occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for the delay.

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

- k. disclose to the stock exchange(s) material updates on the events/ information disclosed under this Policy till such time the event is resolved/ closed, with relevant explanations.
- l. Do all such necessary things as may be required in relation to disclosure or dissemination of material event.

3.6. Guidance on occurrence of event / availability of information

- a. The timing of occurrence of an event and/or availability of information has to be decided on a case to case basis.
- b. In matters, materiality of which would depend on the stage of discussion, negotiation or approval, the event can be said to have occurred upon significant development therein and receipt of approval by the Board of Directors or shareholders, as the case may be for such disclosure.
- c. Contact Details: Any questions or clarifications about this policy or disclosure made by the Company should be referred to the Chief Financial Officer or the Company Secretary of the Company, details of whom are available on the website of the Company.

3.7. Guidelines for Rumour Verification in Mainstream Media

The Company through its Authorized Persons shall confirm, deny or clarify, upon the material price movement as may be specified by the stock exchanges, any reported event or information in the mainstream media, which is not general in nature and indicates that rumour of an impending specific event or information is circulating amongst the investing public and also provide the current stage of such event or information. Such disclosure will be as per the timelines prescribed under SEBI Listing Regulations.

3.8. Review of the Policy

The Board of Directors of the Company shall review the Policy from time to time and shall have right to amend/ alter/ modify this Policy as may be required in accordance with the changes in the laws, rules and the said Regulations or otherwise.

Any amendment in the regulatory requirements shall be binding on the Company and shall prevail over this Policy, even if not incorporated in the Policy. In any circumstance where the terms of the Policy differ from any applicable law for the time being in force, the provisions of such applicable law shall take precedence over the Policy.

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

3.9. Effective Date

The Policy has been effective December 1, 2015, and following revisions are made to this Policy:

Date of revision	Effective date
August 03, 2023	August 03, 2023
February 05, 2025	February 05, 2025

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

Annexure I

Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of Regulation (30) and as per timeline and threshold mentioned therein read together with the Policy.

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the Company:
 - (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)
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) 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 Company due to natural calamity, earthquake
7. Effect(s) arising out of change in the regulatory framework applicable to the Company.
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the Company.
10. Options to purchase securities including any ESOP/ESPS Scheme.

CUMMINS INDIA LIMITED
Policy for determination of materiality
for disclosure of event or information

11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.
14. Receipt of a communication from any regulatory, statutory, enforcement or judicial authority, along with the event or information, unless disclosure of such communication is prohibited by such authority.
15. Any other information/event which is likely to affect business and brief details thereof and any other information which is exclusively known to the listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.