



SINTERCOM
India Ltd.

MATERIALITY POLICY

This materiality policies are for (i) determining material group companies; (ii) determining material outstanding litigations involving the Company, its directors, its promoters, its group companies and its subsidiaries; and (iii) determining materiality for the purpose of disclosure of outstanding dues owed to small scale undertaking and other creditors.

OBJECTIVE OF POLICY

The objective of the Policy is to determine materiality of events or information of the Company and disclosure of events or information to Stock Exchanges in compliance with the SEBI Listing Regulations and to ensure good corporate governance.

GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

The Company shall mandatorily disclose the events / information that are deemed to be material, as specified in Para A of Part A of Schedule III of the Listing Regulations, without applying any test of materiality. Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the information/event.

The following will be the materiality criteria

- Companies in which, the investment in the form of equity or loan by the Company exceeds 10% of the net worth of the Company for the last audited financial year;
- where the Company has entered into one or more transactions with such company in the last audited financial year, cumulatively exceeding 10% of the total revenue of the Company for the last audited financial year; and
- any other Company the Board may decide;
- the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited financial statements; or
- where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the profit after tax - of the Company as per the last audited financial statements, if similar litigations put together collectively exceed 1% of the profit after tax of the Company; or
- litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.
- In view of the nature and extent of outstanding dues of the Company and the nature and extent of the business operations undertaken by the Company, the dues owed by the Company to the small-scale undertakings and other creditors exceeding 5% of the Company's trade payables for the last audited financial statements shall be considered as material dues for the Company.

**The above thresholds shall be determined on the basis of the last annual audited consolidated financial statements of the Company.*

DISCLOSURE PROCESS

- Any event purported to be reportable under Regulation 30 of the Regulations shall be informed to the Chairman/Managing Director/Chief Financial Officer & Company Secretary of the Company on an immediate basis with adequate supporting data/information to facilitate a prompt and appropriate disclosure. Any other event, even if not covered under the Regulations but is potentially of price sensitive nature, must also be informed, for further evaluation to the Chief Financial Officer & Company Secretary.
- The Chairman, the Managing Director and the Chief Financial Officer & Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and this policy.
- After evaluation, any one of the above-mentioned persons shall make disclosure to the Stock Exchanges.
- The Company shall use the electronic facilities provided by the Stock Exchanges for dissemination of the information and may subsequently disclose the same via other media, including the press release, website, etc.
- Statutory timeframes for disclosure shall be adhered to. Delay, if any, should be sufficiently explained along with the disclosure.
- Regular updates, where relevant, shall be made with relevant explanations.
- All disclosures shall be available on the website of the Company for a period of 5 years.

POLICY REVIEW

The KMP's may review the policy from time to time. Material Changes to the policy will need the approval of the Board of Directors.

SINTERCOM INDIA LIMITED

JIGNESH RAVAL

Managing Director