



**POLICY ON DETERMINING THE MATERIALITY OF EVENTS
OF
SIRCA PAINTS INDIA LIMITED**

1. Purpose and Scope:

Sirca Paints India Limited understands that in order to enable investors to make well-informed investment decisions, timely, adequate and accurate disclosure of information on an ongoing basis is essential. The Policy for determining 'materiality' of Events has been framed in accordance with the provisions of Regulation 30(4) (ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time. The Policy will be used to determine the materiality of the events and their adequate disclosure to the Stock Exchanges and to provide an overall governance framework for such determination of materiality.

2. Definition

- a. **"Act"** shall mean the Companies Act, 2013 and the Rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.
- b. **"Board of Directors"** or "Board" means the Board of Directors of Sirca Paints India Limited, as constituted from time to time.
- c. **"Company/SPIL"** means Sirca Paints India Limited.
- d. **"Key Managerial Personnel"** mean key managerial personnel as defined in subsection (51) of section 2 of the Companies Act, 2013;
- e. **"Listing Agreement"** shall mean an agreement that is to be entered into between a recognised stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements) Regulations, 2015

- f. **“Material Event or Information”** there shall be three sort of material event or information
 - i. Events or Information as mentioned in Annexure – I as without applying test for determining the materiality.
 - ii. Events or Information as mentioned in Annexure- II, if considered material in the light of the principles as envisaged in Clause 3.
 - iii. Any other event or information as considered material by the key managerial personnel as authorised under Clause 6 of this regulation in the light of the principles as envisaged in Clause 3. An indicative list is provided in Annexure-III of the Policy. In the Policy, the words, “material” and “materiality” shall be construed accordingly.
- g. **“Material Subsidiary”** shall mean any subsidiary company of the Company which is or has been determined as a material subsidiary as per the provisions of the Regulations.
- h. **“Policy”** means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.
- i. **“Regulations/ Listing Regulation”** mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.
- j. **“Schedule”** means a Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015

All the words and expressions used in this Policy, unless defined hereafter, shall have meaning respectively assigned to them under the Listing Regulation or any other applicable law or regulation to the extent applicable to the Company.

3. Principles for determining of the Materiality of Events or Information.

The following are principles for determining of materiality of the events or Information

- the event or information is of such nature as may influence the share price of the Company at the Stock Exchange or in any manner is an unpublished price sensitive information;
- the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- 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; and
- any other event/information which is treated as being material in the opinion of the key managerial personnel as authorised under Clause 6 of this regulation.
- besides per se material information, an event/information, would be deemed as Material Information if it is likely to have an impact of 10% or more on the gross turnover or revenues or total income or 20% of the net worth, whichever is lower, as per the last consolidated accounts of the Company.

4. Disclosures Of Events Or Information

- a. Events specified in Annexure - I are deemed to be material events and the Company shall make disclosure to of such events or information as soon as reasonably possible and not later than twenty-four (24) hours from the occurrence of such event or information in the following manner:

- i. inform the stock exchanges in which the securities of the Company are listed;

- ii. upload on the corporate website of the Company.

Provided that in case the disclosure is made after twenty-four (24) hours of occurrence of such event or information, the Company shall, along with such disclosure(s) provide an explanation for delay.

Provided further that Disclosure of the events enumerated in point 8 of Annexure - I shall be made within 30 minutes of the conclusion of the Board Meeting at which such events were discussed.

- b. The Company shall make disclosure of events as specified in Annexure - II based on application of guidelines for determining Materiality as per clause 3 of the Policy.
- c. The Company shall make disclosures updating Material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations. The Company shall disclose all events or information with respect to its material subsidiaries.
- d. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.
- e. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) reported in the media.
- f. In case where an event occurs or information is available with the Company, which has not been indicated in Annexure - I or Annexure - II, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

All the above disclosures would be hosted on the website of the Company for a minimum period of five years and thereafter archived as per Company's policy for Preservation and Archival of Documents.

5. Point of time when an event/information has occurred

The time of occurrence of the event information could be divided into two categories i.e. (a) the stage of discussion, negotiation or approval like Board or Shareholder approval However, considering the price sensitivity involved, for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval and (b) in other instances where there is no such discussion, negotiation or approval required, the events/information can be said to have occurred when the Company becomes aware of the events/information, or as soon as, an officer of the Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

6. Authority To Key Managerial Personnel

Managing Director and/ or Chief Financial Officer and/or Company Secretary & Compliance Officer of the Company, Jointly and/or severally, shall have the authority to determine Materiality of any event or information and ensure the disclosures of the same are made to stock exchange(s), subject to the provisions of this Policy.

Contact details:

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7. Amendments

The Board may subject to the applicable laws amend any provision(s) or substitute any of the provision(s) with the new provision(s) or replace the Policy entirely with a new Policy. However, no such amendment or modification shall be inconsistent with the applicable provisions of any law for the time being in force.

END OF THIS POLICY SIRCA PAINTS INDIA LIMITED
