



## **POLICY ON DETERMINATION OF MATERIALITY OF DISCLOSURES**

*Latest updated in Board Meeting held on February 12, 2025*

## **POLICY ON DETERMINATION OF MATERIALITY OF DISCLOSURES**

---

### **Background**

Rashi Peripherals Limited (“**Company**”) is committed to being open and transparent with all stakeholders and believes in disseminating information in a fair and timely manner.

Pursuant to Regulation 30 read along with Part A and Part B of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**Listing Regulations**”) the Board of Directors (“**Board**”) has adopted this Policy for determination of materiality of events (“**Policy**”) in its meeting held on 23<sup>rd</sup> September 2022 so that such events / information can be promptly disclosed to the stock exchanges, as per the regulations. This Policy would be updated based in amendments issued by SEBI time to time.

The Board shall review, and if found required, may amend this Policy from time to time.

### **Definitions**

In this Policy, unless the context requires otherwise:

- a) “**Board**” shall mean the Board of Directors of the Company;
- b) “**Chief Financial Officer**” shall mean the person heading, responsible and for discharging the finance function of the Company as disclosed by it to the recognized stock exchange(s) in its filing under the Listing Regulations;
- c) “**Companies Act**” shall mean the Companies Act, 2013, as amended;
- d) “**Key Managerial Personnel**” or “**KMP**” pursuant to section 2(51) of the Companies Act shall include the following persons:
  - (i) the chief executive officer or the managing director or the manager;
  - (ii) company Secretary;
  - (iii) whole-time directors;
  - (iv) such other officers not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
  - (v) such other officer as may be prescribed by the applicable laws.
- e) “**Officer**” includes any Director, Manager or Key Managerial Personnel or any person in accordance with whose directions or instructions the Board of Directors or any one or more of the Directors is or are accustomed to act and if applicable, would include a promoter of the Company; and
- f) “**Subsidiary**” means a subsidiary as defined under sub-section (87) of section 2 of the Companies Act.

All other words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992, Companies Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and/or the rules and regulations made thereunder shall have the same meaning as respectively assigned to them in such

Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

### **Objective of the Policy**

The objectives of this Policy are as follows:

- a) To ensure that the Company complies with the disclosure obligations of a listed company laid down by the Listing Regulations, various securities laws and any other applicable laws (in India and overseas);
- b) To ensure that the information disclosed by the Company is timely, transparent and continuous till the termination of the specific event or information;
- c) To ensure that to the best of the knowledge of the management, the corporate documents and public statements are accurate and do not contain any misrepresentation;
- d) To protect the confidentiality of material/price sensitive information within the context of the Company's disclosure obligations;
- e) To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company; and
- f) To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

### **Type of Information**

- a) The Company shall disclose all such events which are specified in Para A of Part A of Schedule III of the LODR Regulations (as applicable from time to time) ("Para A Events") without any application of the guidelines for materiality as specified in sub-regulation (2) of Regulation 30 of the LODR Regulations. Details to be provided to the Stock Exchanges while disclosing Para A Events shall be in compliance with the requirements of the SEBI Disclosure Circular.
- b) The Company shall disclose all such material events or information pertaining to itself or to its subsidiary (ies), specified in Para B of Part A of Schedule III of the LODR Regulations ("Para B Events") subject to application of guidelines for materiality, as set out under the LODR Regulations. The criteria would be calculated based on audited consolidated financial statements and would mean the omission of an event/ information whose value involved or the expected impact in terms of value, exceeds the lower of the following:
  1. two percent of turnover, as per the last audited consolidated financial statements of the listed entity;
  2. two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;
  3. 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 listed entity;]

Where the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value/ figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

The details to be provided to the Stock Exchanges while disclosing Para B Events shall be in compliance with the requirements of the SEBI Disclosure Circular.

The Management shall periodically bring to the attention of the Board of Directors of the Company, all information, events or materials which in its opinion has to be brought to the attention of the Members of the Stock Exchanges.

### **Disclosures of Events or Information**

Materiality must be determined on a case to case basis depending on specific facts and circumstances relating to the event/information.

- a) Events specified in Para A of part A of Schedule III of the Listing Regulations and as amended from time to time by SEBI, shall be disclosed by the Company to the Stock exchanges without application of materiality guidelines listed in this Policy.
- b) The Company shall make disclosure of events specified in Para B of part A of Schedule III of the Listing Regulations and as amended from time to time by SEBI, based on application of Guidelines for materiality, as specified in this 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.
- d) The Company shall disclose all events or information with respect to its Material Subsidiaries.
- e) The Company shall provide specific and adequate reply to all queries raised by stock exchange with respect to any events or information. Further, on its own initiatives shall confirm or deny any event or information to stock exchange 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 A or Annexure B, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

### **Mechanism to be adopted for Identifying and reporting potential material information/event by Relevant Employees**

- i. During performance of one's role, the Relevant employee/(s) shall be responsible for identifying pertinent information/event as mentioned in Para A and Para B events respectively, which has potential to be classified as material information/event as per the policy.
- ii. Upon identification of potential material information/event, the Relevant Employee shall promptly report the details of such potential material information/event to the Authorized Officer(s).
- iii. Any other event, even if not covered under the Listing Regulations but is potentially of price sensitive nature, must also be informed for further

evaluation, to the Authorized Officer(s). After evaluation, the Authorized Officer(s) shall if required issue a suitable disclosure to the Stock Exchanges.

**Timelines within which disclosure of events or information shall be filed with the Stock Exchanges:**

The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this regulation as soon as reasonably possible and in any case not later than the following:

- i. thirty minutes from the closure of the meeting of the Board of Directors in which the decision pertaining to the event or information has been taken;

In case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the company shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting: Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.”

Further, in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.

- ii. twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
- iii. twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company;

Additionally, acquisition of shares or voting rights aggregating to five percent or more of the shares or voting rights in an unlisted company and any change in holding from the last disclosure made under this proviso exceeding two per cent of the total shareholding or voting rights in the said unlisted company shall be disclosed on a quarterly basis in the format as may be specified.”

In respect of claims which are made against the company under any litigation or dispute, other than tax litigation or dispute, if all the relevant information, is maintained in the structured digital database in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the company shall disclose the details of those claims with the stock exchange within 72 hours of receiving the notice.

Disclosure with respect to events for which timelines have been specified in Part A of Schedule III of the Listing Regulations shall be made within such timelines.

The time at which an event occurred or any information became available shall be determined on a case to case basis.

### **Assistance to Identify any Potential Material Event or Information and Reporting thereof**

- The materiality has to be determined on a case to case basis depending on specific facts and circumstances relating to the event/information.
- Certain events considering the price sensitivity involved for example declaration of dividends will be deemed to have occurred and disclosed on approval of the Board of the Company, pending Shareholders' approval.
- An indicative list of items which would be disclosed to the stock exchanges, on application of materiality criteria is provided at Annexure B and shall stand updated as amended by SEBI from time to time.

### **Person(s) Responsible for Disclosure**

The Key Managerial Personnel consisting of the Managing Director, the Wholetime Directors, the Chief Financial Officer and the Company Secretary of the Company, shall jointly and severally be the authority to determine the materiality of any information, classify it as a material information, decide the appropriate time at which disclosure is to be filed with the stock exchanges and details that may be filed in the best interest of present and potential investors. The objective of this Policy is to lay down the criteria for determination of materiality of events and information that need to be disclosed to the stock exchanges in a timely manner and other matters related thereto.

### **“Authorized Person(s)”**

The Authorized Person(s) shall have the following powers and responsibilities for determining the material events or information:

- a) To review and assess an event or information that may qualify as 'material' and may require disclosure, on the basis of facts and circumstances prevailing at a given point in time.
- b) To determine the appropriate time at which the disclosures are to be made to the stock exchanges based on an assessment of actual time of occurrence of an event or information.
- c) To disclose developments that are material in nature on a regular basis, till such time the event or information is resolved/closed, with relevant explanations.
- d) To consider such other events or information that may require disclosure to be made to the stock exchanges which are not explicitly defined in the Listing Regulations and determine the materiality, appropriate time and contents of disclosure for such matters.
- e) To disclose all events or information with respect to the subsidiaries which are material for the Company.

### **Obligations of Internal Stakeholders and Authorized Person for disclosure**

- a) Any event or information, including the information forming part of Annexure 1 and Annexure 2 to the Policy shall be forthwith informed to the Authorized Person(s) upon occurrence, with adequate supporting data/information, to facilitate a prompt and appropriate disclosure to the

- stock exchanges.
- b) The Authorized Person will then ascertain the materiality of such event(s) or information based on the above guidelines.
  - c) On completion of the assessment, the Authorized Person shall, if required, make appropriate disclosure(s) to the stock exchanges.

### **Policy Review**

The Authorized Person may review the Policy from time to time. Material changes to the Policy will need the approval of the Board. Should there be any inconsistency between the terms of the Policy and the Listing Regulations, the provisions of the Listing Regulations shall prevail.

Any amendments to the Listing Regulations shall mutatis mutandis be deemed to have been incorporated in this Policy.

### **Website**

As per the provisions of the Listing Regulations, the Policy shall be disclosed on the website of the Company. Further, the Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under the Listing Regulations and such disclosures shall be made available on the website of the Company for a period of five years and thereafter as per the documentation retention and archival policy of the Company.

### **Company Secretary**

Questions or clarifications about the Policy or disclosures made by the Company should be referred to the Company Secretary, who is in charge of administering, enforcing and updating this Policy.

In any circumstance where the terms of this policy differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedures until such time as this policy is changed to conform to the law, rule, regulation or standard.