

RRP SEMICONDUCTOR LIMITED

POLICY FOR DETERMINATION OF MATERIALITY OF EVENTS



PREAMBLE:

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called the "Listing Regulations"), as may be amended from time to time, mandates every Listed Company to disclose events or information which, in the opinion of the Board of Directors of the Company, are material in nature. Regulation 30(4) of the Listing Regulations requires the Company to frame a policy for determination of materiality of events or information for disclosure, based on the criteria specified therein. Accordingly, RRP Semiconductor Limited (the "Company") has formulated this policy ("Policy") for determination of materiality of events or information for disclosure in order to enable the Company to promptly disclose to the Stock Exchanges material events/information in accordance with said regulation.

SCOPE:

This Policy aims to identify and define the events or information which should be construed as material and ought to be disclosed to the stock exchanges within the time as stipulated under the Listing Regulations so as to enable investors to make well-informed investment decisions.

OBJECTIVE OF THE POLICY:

The objectives of this policy are:

1. To ensure that the Company should discloses promptly and without delay all the events which will have bearing on the performance / operations of the Company as well as any price sensitive information to the stock exchanges in accordance with the Listing Regulations.

2. To establish procedures for determining the events or information, assessing those events or information are material in nature and releasing those events or information which are determined to the stock exchanges under the Listing Regulations.



DEFINITIONS:

1. **"Board of Directors" or "Board"** means the Board of Directors of the Company.

2. **"Company"** means RRP Semiconductor Limited.

3. **"Key Managerial Personnel"** mean key managerial personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013;

4. **"Material Events or Information"** shall mean such events or information as set out in this policy or as may be determined in terms of this Policy. In the Policy, the words, "material" and "materiality" shall be construed accordingly.

5. **"Policy"** means this Policy on Determination of Materiality of events and information and as may be amended from time to time.

6. **"Regulations"** mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications, circulars or re-enactment thereof.

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.

CRITERIA FOR DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION:

The following criteria will be considered by the Board for determining materiality of events / information:

(a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

(b) 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;



(c) an event/information may be treated as being material if in the opinion of the board of directors of the Company, the event / information is considered material;

DISCLOSURE OF EVENTS OR INFORMATION:

A. The following events/information is to be considered "material" and shall be disclosed to the Stock Exchanges without any application of criteria for determining materiality of events/information:

1. Acquisition(s) (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 Company 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 Company 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.



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3. Revision in Rating(s).

4. Outcome of Meetings of the board of directors: The Company shall disclose to the Exchange(s), within 30 minutes or 3 hours 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 Company 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 Company), 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 Company or arrest of key managerial personnel or promoter.



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7. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.

   (7A) In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the Company to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

   (7B) Resignation of Independent Director including reasons for resignation: In case of resignation of an independent director of the Company, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the Company:

   i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the Company to the stock exchanges.

   ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.

   iii. The confirmation as provided by the independent director above shall also be disclosed by the Company to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.

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.

13. Proceedings of Annual and extraordinary general meetings.



14. Amendments to memorandum and articles of association, in brief.

15. Schedule of Analyst or institutional investor meet and presentations on financial results made by the Company to analysts or institutional investors.

16. The following events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code:

    a. Filing of application by the corporate applicant for initiation of CIRP, also specifying the amount of default;

    b. Filing of application by financial creditors for initiation of CIRP against the corporate debtor, also specifying the amount of default;

    c. Admission of application by the Tribunal, along with amount of default or rejection or withdrawal, as applicable;

    d. Public announcement made pursuant to order passed by the Tribunal under section 13 of Insolvency Code;

    e. List of creditors as required to be displayed by the corporate debtor under regulation 13(2)(c) of the Insolvency Resolution Process for Corporate Persons Regulations, 2016;

    f. Appointment/ Replacement of the Resolution Professional;

    g. Prior or post-facto intimation of the meetings of Committee of Creditors;

    h. Brief particulars of invitation of resolution plans under section 25(2)(h) of Insolvency Code in the Form specified under regulation 36A(5) of the Insolvency Resolution Process for Corporate Persons Regulations, 2016;

    i. Number of resolution plans received by Resolution Professional;

    j. Filing of resolution plan with the Tribunal;



k. Approval of resolution plan by the Tribunal or rejection, if applicable;

l. Salient features, not involving commercial secrets, of the resolution plan approved by the Tribunal, in such form as may be specified;

m. Any other material information not involving commercial secrets.

B. The following Events /information may also be considered material based on the criteria of materiality and shall be disclosed to the Stock Exchanges:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.

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 (entirety or 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) (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.

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.

7. Effect(s) arising out of change in the regulatory framework applicable to the Company.

8. Litigation(s) / dispute(s) / regulatory action(s) with impact.



9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of the Company.

10. Options to purchase securities including any ESOP/ESPS Scheme.

11. Giving of guarantees or indemnity or becoming a surety for any third party.

12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

C. Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

D. Without prejudice to the generality of point (a), (b) and (c) above, the Company may make disclosures of event/information as specified by the Board from time to time.

E. The Company shall first disclose to stock exchange(s) of all events or information, as specified above in point a in the policy, as soon as reasonably possible and not later twenty four hours from the occurrence of event or information. Further, in case the disclosure is made after twenty four hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for delay. Provided further that disclosures with respect to events specified above in sub-point 4 of point a in the policy shall be made within thirty minutes of the conclusion of the board meeting.

F. The Company shall also disclose to stock exchange(s) events, information specified above in point b in the policy as soon as reasonably possible and not later than twenty four hours from the approval of materiality of event or information from the authorised competent authority. Further, in case the disclosure is made after twenty four hours of occurrence of the event or information, the Company shall, along with such disclosures provide explanation for delay.



G. The Company shall, with respect to events/Information specified in point (a) & (b), make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

H. The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) and such disclosures shall be hosted on the website of the Company for a minimum period of five years and thereafter as per the archival policy of the Company, as disclosed on its website.

I. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.

J. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.

K. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s).

L. In case where an event occurs or an information is available with the Company, which has not been indicated in point (a) and (b) above, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.

GUIDANCE ON WHEN AN EVENT/INFORMATION HAS OCCURRED:

The Company may confront the occurrence of the event/information depending upon the timing when the company became aware of such event/information. 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 of Directors 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.

AUTHORIZATION TO KEY MANAGERIAL PERSONNEL FOR DETERMINING MATERIALITY OF EVENT OR INFORMATION:

Pursuant to Regulation 30(5) of the Listing Regulations, the Board of Directors of the Company authorized Key Managerial Personnel severally and/or jointly the Managing Director and/or Chief Financial Officer to determine materiality of any event or information based on the criteria specified in this policy and direct Company Secretary of the Company to make disclosures to stock exchange(s). The said Key Managerial Personnel may also seek external legal advice in case of any ambiguity/clarification.

The contact details of such Key Managerial Personnel shall be disclosed to the stock exchange(s) and also be posted on the website of the Company.

The Board may from time to time designate or nominate any other Key Managerial Personnel for the purpose of compliance with the provisions of Regulation 30(5) of the Listing Regulations. Any such change shall be duly intimated to the stock exchanges and notified on the Company's website.

REVIEW OF POLICY:

The policy shall be reviewed by the Board of Directors of the Company, from time to time as may be necessary. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

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