R SYSTEMS INTERNATIONAL LIMITED |
POLICY ON DETERMING THE MATERIALITY OF EVENTS

1. PURPOSE AND SCOPE:

R Systems International 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 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 R Systems International Limited, as constituted from time to time.

c. **"Company"/ "RSIL"** means R Systems International Limited.

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

e. **"Stock Exchanges"** shall mean National Stock Exchange of India Limited and BSE Limited.

f. **"Policy"** means this Policy on criteria for determining Materiality of events or information and as may be amended from time to time.

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

h. **“Stock Exchange(s)”** means National Stock Exchange of India Limited (NSE) and BSE Limited (“BSE”) or any other stock exchange where the securities of the Company are listed.

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

3. CRITERIA FOR DETERMINING THE MATERIALITY OF EVENTS OR INFORMATION.

The following is criteria for determining of materiality of the events or 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; or
c. the omission of an event or information, whose 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; and
d. in case where the criteria specified in sub-clauses (A), (B) and (C) is not applicable, an event or information may be treated as being material if in the opinion of the Board of Directors/ authorised Key Managerial Personnel of the Company, the event or information is considered material.

4. DISCLOSURE OF MATERIAL EVENTS

i. Events specified in Para A of Part A of Schedule III of the Listing Obligations are deemed to be material events and the Company shall make disclosure of such events.
ii. The Company shall also make disclosure of events as specified in Para B of Part A of Schedule III of the Listing Regulations based on application of Criteria for determining Materiality as per clause 3 of the Policy.
iii. The Company shall also make disclosure of events if it is material in the opinion of Board/ Key Managerial Person of the Company.

iv. The Company shall make, with respect to disclosures referred to in this Policy or Listing Regulations, disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

v. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.

vi. In case the disclosure is made after the timelines specified under this policy or as mentioned under the Regulations, the Company shall, along with such disclosure(s) provide an explanation for delay.

5. Timeline And Manner For Disclosure Of Material Event

The Company shall disclose to Stock Exchanges all material events or information within the timelines specified in the Listing Regulations or any Circular/ Master Circular issued under it.

Provided further that in case the disclosure is made after the timelines specified under the Listing Regulations, the Company shall, along with such disclosure provide the explanation for the delay.

Further, the Company shall also update the material events or disclosures informed to Stock Exchanges on its Corporate Website as soon as possible but not later than two working days from such disclosure.

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 Document.

The Company shall provide specific and adequate reply to all queries raised by Stock Exchange with respect to any events or information.

The promoter, director, key managerial personnel or senior management of the Company shall provide adequate, accurate and timely response to queries raised or explanation sought by the Company in order to ensure compliance with this Policy.

6. 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 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.

7. Guidance To The Employees

If any employee becomes aware of a potential material event or information as specified in Para A and Para B of Part A of Schedule III of the Listing Obligations, they must promptly report it to the Key Managerial Personnel. The Key Managerial Personnel will then determine the materiality of the event or information and make the necessary disclosures to the stock exchange(s).

8. Authority To Key Managerial Personnel

Managing Director and Chief Executive Officer, Chief Financial Officer and 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.

9. Contact Details:

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10. 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.

(Last Amended on February 13, 2025)