

POLICY FOR MATERIALITY OF EVENTS/ INFORMATION

1. LEGAL FRAMEWORK

The board of directors of **MIC Electronics Limited** (the “Company”) have modified the existing policy for Materiality of events/ information (the “Policy”) under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof. The amended Policy will be effective from January 31, 2026 (the date of approval of the Board of Directors of the Company).

2. DEFINITIONS

“**Act**” shall mean the Companies Act, 2013 and the rules framed thereunder, including any modifications, clarifications, circulars or re-enactment thereof.

“**Board of Directors**” or “**Board**” means the Board of Directors of MIC Electronics Limited, as constituted from time to time.

“**Key Managerial Personnel**” means Key Managerial Personnel as defined in subsection (51) of section 2 of the Companies Act, 2013;

“**Listing Agreement**” shall mean an agreement that is entered/ to be entered into between a recognized stock exchanges and the Company pursuant to the SEBI Listing Regulations.

“**Schedule**” means a Schedule 11T of the SEBI Listing Regulations.

“**Material Event**” or “**Material Information**” shall mean such event or information as set out in the Schedule or as may be determined in terms of the SEBI Listing Regulations. In the Policy, the words, “**material**” and “**materiality**” shall be construed accordingly.

“**Policy**” means this Policy for Materiality of events or information and as may be amended from time to time.

“**SEBI**” means the Securities and Exchange Board of India.

“**Senior Management**” means the officers and personnel of the Company who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer. Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, SEBI Listing Regulations or any other applicable regulation to the extent applicable to the Company.

3. GUIDELINES FOR DETERMINATION OF MATERIALITY

For the events or information stated in **Annexure A** to this Policy, no criteria are applicable and the Company shall disclose the said events or information as they occurred within the timelines mentioned in para 4 of this Policy.

The Company shall, with respect to disclosures referred to in this **Annexure A**, make

disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

Following is the criteria which shall be applied to determine Materiality for the purpose of making disclosure in terms of the SEBI Listing Regulations for the events or information stated in **Annexure B** to this Policy:

- A.** The omission of event or information whose value or the expected impact in terms of the value exceeds the lower of the following:
 - 1. two percent of turnover, as per the last audited consolidated financial statements of the Company;
 - 2. 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;
 - 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 Company.
- B.** In case where the criteria specified above is not applicable, an event or information may be treated as material, if in the opinion of the board of directors of the Company the said event or information is considered as material.

The Company shall take necessary steps to ensure to give wider publicity of above criteria amongst its employees to enable them to bring to the notice of the Senior Management of the Company about any possible Material event or information.

4. DISCLOSURE OF EVENTS OR INFORMATION

- 1. The Company shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of this Policy as soon as reasonably possible and in any case not later than the following:
 - a) 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;
 - b) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the Company;
 - c) twenty-four hours from the occurrence of the event or information, in case the event or information is not emanating from within the Company.

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

2. The Company shall disclose all events or information with respect to subsidiaries which are material for the Company.
3. 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.
4. The guidance on when an event/information can say to have occurred is in **Annexure C**.

5. AUTHORIZATION FOR DETERMINING MATERIALITY

The Board of Directors of the Company has severally authorized Managing Director, Chief Executive Officer (“CEO”), Chief Financial Officer (“CFO”) and Company Secretary (“CS”) of the Company to determine materiality of event or information that has taken place, for the purpose of making adequate disclosure to the Stock Exchanges.

The contact details of MD, CEO, CFO and CS to be disclosed to the stock exchanges and be posted on the Company’s website.

6. DISSEMINATION OF POLICY

The Policy shall be hosted on website of the Company viz; www.mic.co.in

7. POLICY REVIEW

The Policy shall be subject to review by the Board of Directors as and when required either consequent to statutory requirements or otherwise.

Annexure A

Events which shall be disclosed without any application of the guidelines for Materiality:

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation, merger, demerger or restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in associate company of the Company;

Explanation. – ‘Acquisition’ shall mean, -

- (i) acquiring control, whether directly or indirectly; or
- (ii) acquiring or agreement to acquire shares or voting rights in a company, whether existing or to be incorporated, 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
 - i. above and such change exceeds two per cent of the total shareholding or voting rights in the said company; or
 - ii. the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in para 3 of this Policy.

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.;

3. New Rating(s) or Revision in credit rating(s);

4. Outcome of Meetings of the Board of Directors in respect of the following items:

- i. 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;
- ii. any cancellation of dividend with reasons thereof,
- iii. the decision on buyback of securities;
- iv. the decision with respect to fund raising proposed to be undertaken
- v. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares shall be credited/dispatched;
- vi. 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;
- vii. short particulars of any other alterations of capital, including calls;
- viii. financial results;

Provided that in case of board meetings being held for more than one day, the financial results shall be disclosed within thirty minutes of end of the meeting for the day on which it has been considered

- ix. 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;

5A. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements;

Provided that such agreements entered into by a Company in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or they are required to be disclosed in terms of SEBI Listing Regulations.

Explanation: For the purpose of this clause, the term “directly or indirectly” includes agreements creating obligation on the parties to such agreements to ensure that the Company shall or shall not act in a particular manner.

6. Fraud or defaults by a company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the company, whether occurred within India or abroad.
7. Change in directors, Key Managerial Personnel (managing director, chief executive officer, chief financial officer, company secretary etc.), senior management, auditor and compliance officer;
8. Appointment or discontinuation of share transfer agent;
9. Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions;
10. One-time settlement with a bank;
11. 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 by the Company;
13. Proceedings of annual and extraordinary general meetings of the Company;
14. Amendments to memorandum and articles of association of Company, in brief;
15. (a) Schedule of analysts or institutional investors meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations made by the Company to analysts or institutional investors.
(b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means,

simultaneously with submission to the recognized stock exchange(s), in the following manner: (i) the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier; (ii) the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.

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

17. Initiation of Forensic audit;

18. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a company, in relation to any event or information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company;

19. Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following:

(a) search or seizure; or

(b) re-opening of accounts under section 130 of the Companies Act, 2013; or

(c) investigation under the provisions of Chapter XIV of the Companies Act, 2013; along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;
- ii. nature and details of the action(s) taken, initiated or order(s) passed;
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.

20. Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the company, in respect of the following:

(a) suspension; (b) imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or (i) any other similar action(s) by whatever name called; along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;
- ii. nature and details of the action(s) taken, initiated or order(s) passed;
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. impact on financial, operation or other activities of the Company, quantifiable in monetary terms to the extent possible.

21. Voluntary revision of financial statements or the report of the board of directors of the company under section 131 of the Companies Act, 2013.

Annexure B

Events which shall be disclosed upon application of the guidelines for Materiality under clause 3 of this Policy:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the company:
 - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - (b) adoption of new line(s) of business; or
 - (c) closure of operation of any unit, division or subsidiary
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) 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. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the company.
9. Frauds or defaults by employees of the company which has or may have an impact on the company
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.
13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

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.

Without prejudice to the generality of above, the Company may make disclosures of event/information as specified by the Board from time to time.

Annexure C

1. The Company may be confronted with the question as to when an event/information can be said to have occurred.
2. In certain instances, the answer to above question would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required viz. in case of natural calamities, disruptions etc, the answer to the above question would depend upon the timing when the Company became aware of the event/information.
 - a) In the former, the events/information can be said to have occurred upon receipt of approval of Board of Directors e.g. further issue of capital by rights issuance and in certain events/information after receipt of approval of both i.e. Board of Directors and shareholders.

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.

In case in-principal approval or approval to explore (which is not final approval) is given by the Board of Directors, the same shall not require disclosure under regulation 30 of the LODR Regulations.

- b) In the latter, 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 entity has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

The term 'officer' shall have the same meaning as defined under the Act and shall also include promoter of the Company.