

Type of Policy	Date of Adoption	Last date of Amendment	Approved by
Policy on Criteria for Determining Materiality of Events	2019	11.08.2023	Board of Directors

MARINE ELECTRICALS (INDIA) LTD
POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENTS

1. OBJECTIVE

The Policy is framed in accordance with the requirements of the Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) as amended from time to time. The objective of this Policy is to determine materiality of events or information relating to the Company and to ensure that such information is adequately disseminated in pursuance of the Regulations and to provide an overall governance framework for such determination of materiality.

2. DEFINITION

In this Policy, unless the context otherwise requires:

- a. “Board of Directors” or “Board” shall mean the Board of Directors of Marine Electricals (India) Limited.
- b. “Company” shall mean Marine Electricals (India) Limited.
- c. “Key Managerial Personnel” or “KMP” means Chief Executive Officer and Managing Director, Chief Operating Officer and Executive Director, Chief Financial Officer, and Company Secretary of Marine Electricals (India) Limited.
- d. "Promoter" and "Promoter Group" shall have the same meaning as assigned to them respectively in clauses (oo) and (pp) of Regulation 2(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- e. “Policy” shall mean this Policy on the criteria for determining Materiality of events or information and as amended from time to time.
- f. “Subsidiary” means a subsidiary as defined under Section 2(87) of the Companies Act, 2013;

All other words and expressions used but not defined in this Policy, shall have the same meaning as defined in the SEBI Listing Regulations, and if not defined therein, then as per the Companies Act, 2013 or the Securities Contracts (Regulation) Act, 1956 or the Depositories Act, 1996 and/or the rules and regulations made thereunder, or any other Act and/or applicable laws or any statutory modification or re-enactment thereto, as the case may be.

4. Type of Information

The information covered by this Policy shall include “information related to the Company's business, operations, or performance which has a significant effect on securities investment decisions” (hereinafter referred to as “material information”) that the Company is required to disclose in a timely and appropriate manner by applying the guidelines for assessing materiality. Events or information specified in Para B of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed based on application of materiality criteria.

Events or information specified in Para A of Part A of Schedule III of Regulation 30 of the SEBI Listing Regulations will be disclosed without any application of the guidelines for materiality.

5. Persons Responsible for Disclosure

Pursuant to Regulation 30(5) of Listing Regulations, the Board has authorized Managing Director and Chairman & Executive Director of the Company (“Authorised KMPs”) for the purpose of determining materiality of an event or information and Company Secretary of the Company for the purpose of making disclosures to Stock Exchange(s) under Regulation 30 and the contact details of such personnel shall be also disclosed to the Stock Exchange(s) and as well as on the Company’s website.

The Authorised KMPs 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 SEBI 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.

2. Guidelines for Assessing Materiality

Materiality will be determined on a case to case basis depending on the facts and the circumstances pertaining to the event or information.

The following criteria will be applicable for determining materiality of event or information:

- a. The omission of an event or information which is likely to:
 - i. result in a discontinuity or alteration of an event or information already available publicly; or
 - ii. result in significant market reaction if the said omission came to light at a later date;
 - b. 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 listed entity;
 - b) 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;
 - 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 listed entity;
 - (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 of the listed entity, the event or information is considered material:
 - c. In the opinion of the Board of Directors of the Company, the event / information ought to be disclosed.
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3. Guidelines for Rumour Verification

The Company shall confirm, deny or clarify any reported event or information in the mainstream media, which is not general in nature and indicates that rumours of an impending specific material event or information that are circulating amongst the investing public and also provide the current stage of such event or information. Such disclosure will be as per the timelines prescribed under SEBI Listing Regulations, with effect from October 1, 2023.

4. Guidelines for Communication

In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

5. Guidance on Timing of an Event or Information

The Company may be confronted with the question as to when an event/information can be said to have occurred.

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.

In the former, the events/information can be said to have occurred upon receipt of approval of Board of Directors.

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 shareholders' approval.

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 Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties.

Here, the term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include promoter of the listed entity.

6. Policy Review/Amendments

The Board of Directors may review the Policy from time to time. Any subsequent amendment / modification in the Listing Regulations, Act and/or applicable laws in this regard shall automatically apply to this Policy.

7. Website

As per the provisions of the SEBI Listing Regulations, the Policy shall be disclosed on the website of the Company.
