POLICY FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION

[Adopted by the Board of Directors on September 17, 2025]

MEHTA HITECH INDUSTRIES LIMITED

(FORMERLY KNOWN AS MEHTA CAD CAM SYSTEMS PVT. LTD)

1. BACKGROUND AND APPLICABILITY OF THE POLICY:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR Regulations**") requires every Listed Company to disclose events or information which, in the opinion of the Board of Directors of a Company are material.

In this context, the following policy has been framed by the Board of Directors ("**Board**") of **Mehta Hitech Industries Limited** ("**Company**") at its Meeting held on September 17, 2025 with the objective of determining materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.

Regulation 30 of the Regulations mandates disclosure of all deemed material events to the Stock Exchanges. These events have been specified in Para A of Part A of Schedule III of the Regulations and shall be disclosed as applicable from time to time.

This Policy shall also apply to the events to which neither Para A or Para B of Part A of Schedule III applies but have a material effect on **Mehta Hitech Industries Limited**

2. DEFINITIONS:

"Act" shall mean the Companies Act, 2013 and the Rules framed there under, including any modifications, clarifications, circulars or re-enactment thereof;

"Board of Directors" or **"Board"** means the Board of Directors of **Mehta Hitech Industries Limited**, as constituted from time to time;

"Company" means Mehta Hitech Industries Limited;

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

"Listing Agreement" shall mean an agreement that is to be entered into between a recognised stock exchange and the Company pursuant to Securities and Exchange Board (Listing Obligations and Disclosure Requirements), 2015;

"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 Clause 3 of the Policy. In the Policy, the words, "material" and "materiality" shall be construed accordingly;

"Material Subsidiary" shall mean any subsidiary company of the Company which is or has been determined as a material subsidiary as per the provisions of the Regulations;

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

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

"Schedule" means Schedule III of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, the Listing Agreement, Regulations or any other applicable law or regulation to the extent applicable to the Company.

3. GUIDELINES FOR DETERMINING MATERIALITY OF EVENTS OR INFORMATION:

The Company shall consider the following criteria for determination of materiality of 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;

(c) The omission of an event or information, whose value 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.

(d) In case where the criteria specified in sub-clauses (a) and (b) is not applicable, an event/information may be treated as being material if in the opinion of the board of directors of listed entity, the event / information is considered material.

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the listed entity within thirty days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.

4. DISCLOSURES OF EVENTS OR INFORMATION:

a) The listed entity shall first disclose to the stock exchange(s) all events or information which are material in terms of the provisions of regulation 30 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;

(ii) twelve hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;

(iii) twenty four hours from the occurrence of the event or information, in case the event or information is not emanating from within the listed entity

a. Inform the Stock Exchanges in which the securities of the Company are listed;
b. Upload on the corporate website of the Company.

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

b) The Company shall make disclosure of events as specified in Annexure B based on application of guidelines for determining Materiality as per clause 3 of the 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(s) with respect to any events or information and on its own initiative. Further it shall confirm or deny any event or information to stock exchange(s) 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.

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 Documents.

5. AUTHORITY TO KEY MANAGERIAL PERSONNEL:

Any event purported to be reportable under Regulation 30 of the Regulations shall be informed to the Chairman/Managing Director/Chief Financial Officer & Company Secretary of the Company on an immediate basis with adequate supporting data/information to facilitate prompt and appropriate disclosure.

The Chairman, the Managing Director and the Chief Financial Officer & Company Secretary of the Company shall severally be responsible and authorised for ascertaining the materiality of events considering its nature and its disclosure after taking into consideration the various provisions of the Regulations and Policy.

6. 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.

7. SCOPE AND LIMITATION:

In the event of any conflict between the provisions of this Policy and the Listing Agreement; Companies Act, 2013; Regulations or any other statutory enactments, rules, the provisions of such Listing Agreement / Companies Act, 2013 or statutory enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to severed from the Policy and the rest of the Policy shall remain in force.

8. DISSEMINATION OF POLICY:

This Policy shall be hosted on the website of the Company and address of such web link thereto shall be provided in the Annual Report of the Company.

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 listed entity, sale of stake in associate company of the listed entity or any other restructuring.

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 and such change exceeds two per cent of the total shareholding or voting rights in the said company.

(c) the cost of acquisition or the price at which the shares are acquired exceeds the threshold specified in sub-clause (c) of clause (i) of sub regulation (4) of regulation 30.

Explanation (2) - For the purpose of this sub-paragraph, “sale or disposal of subsidiary” and “sale of stake in associate company” shall include-

a. an agreement to sell or sale of shares or voting rights in a company such that the company ceases to be a wholly owned subsidiary, a subsidiary or an associate company of the listed entity; or
b. an agreement to sell or sale of shares or voting rights in a subsidiary or associate company such that the amount of the sale exceeds the threshold specified in sub-clause (c) of clause (i) of sub-regulation (4) of regulation 30.

Explanation (3)- For the purpose of this sub-paragraph, “undertaking” and “substantially the whole of the undertaking” shall have the same meaning as given under section 180 of the Companies Act, 2013

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 rating(s);

4. Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange(s), within 30 minutes 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;

5A. Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity 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 listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:

Provided that such agreements entered into by a listed entity 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 listed entity or they are required to be disclosed in terms of any other provisions of these regulations.

6. Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director of the listed entity, whether occurred within India or abroad:

For the purpose of this sub-paragraph:

(i) 'Fraud' shall include fraud as defined under Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
(ii) 'Default' shall mean non-payment of the interest or principal amount in full on the date when the debt has become due and payable.

Explanation 1- In case of revolving facilities like cash credit, an entity would be considered to be in 'default' if the outstanding balance remains continuously in excess of the sanctioned limit or drawing power, whichever is lower, for more than thirty days.

Explanation 2- Default by a promoter, director, key managerial personnel, senior management, subsidiary shall mean default which has or may have an impact on the listed entity.

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.Corporate debt restructuring;

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. Schedule of Analyst or institutional investor meet at least two working days in advance (excluding the date of the intimation and the date of the meet) and presentations on financial results made by the Company to analysts or institutional investors.

16. Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity. Explanation – "social media intermediaries" shall have the same meaning as defined under the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021

ANNEXURE- B

Events which shall be disclosed upon application of the guidelines for materiality:

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 listed entity:

(a) arrangements for strategic, technical, manufacturing, or marketing tieup; or
(b) adoption of new line(s) of business; or
(c) closure of operation of any unit, division or subsidiary (in entirety or in 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. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity;

9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity;

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;

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.