MIC ELECTRONICS LIMITED

Corporate Social Responsibility Policy
Date of Implementation: 27th July, 2024

PREAMBLE:

MIC Electronics Limited is a global leader in the design, development & manufacturing of LED Video Displays, high-end Electronic and Telecommunication equipment and development of Telecom software since 1988. An ISO 9001:2008 & ISO 14001:2004 certified, it has marked presence in the highly dynamic domains of:

- LED Video, Graphics and Text Displays
- LED Lighting Solutions
- Embedded, System and Telecom software
- Communication and Electronic Products

MIC Electronics Limited is a pioneering name in the field of LED display solutions and lighting technologies. With a strong foundation and a commitment to innovation, we have established ourselves as a leader in providing cutting-edge, energy- efficient products and solutions to various sectors. In the process we strive to be the most responsive corporate citizen in the community we serve. It is therefore a conscious strategy to design and implement various programmes making a lasting impact on the society at large. MIC is therefore committed to giving back to the society through its Corporate Social Responsibility (CSR) initiatives.

ROLES AND RESPONSIBILITIES OF BOARD:

The Board of Directors will play an important role in driving the CSR initiatives of the Company. The Board shall have the following roles and responsibilities:

- Constitution of CSR Committee;
- Approving the CSR Policy as formulated & recommended by the CSR Committee;
- Approve the budget/annual action plan for CSR activities every year and allocation thereof to various projects;
- Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR programmes/ projects;
- Publishing in its Annual Report an annual report on CSR containing particulars as specified in the Act and ensure annual reporting of its CSR activities on the Company website and elsewhere as appropriate;
- Ensuring that it specifies the reasons in its report for not spending the allocated amount in case the Company fails to spend such amount.
- Identifying the ongoing CSR projects and approving allocating the CSR spend for such ongoing CSR Projects;

- Ensuring that the Company transfers the unspent CSR amount to a special account to be opened by the Company in any scheduled bank to be called the unspent CSR account within 30 days from the end of the financial year, for the identified ongoing CSR projects;
- Ensuring that the Company transfers the unspent CSR amount to any fund specified in Schedule VII of the Companies Act, 2013 ("the Act"), within a period of six months of the expiry of the financial year, in the case there is no ongoing projects being identified in any financial year.
- Monitoring the implementation of the ongoing CSR projects with reference to the approved timelines and year-wise allocation and shall be make modifications, if any, for smooth implementation of such projects within the overall permissible time period in accordance with the Act.

CONSTITUTION OF CSR COMMITTEE:

In compliance with section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time, the Company shall constitute the CSR committee comprising of at least 3 Directors out of which one director shall be an Independent Director. The Company Secretary shall be the secretary of CSR Committee.

QUORUM:

The quorum for the meeting of the Committee shall be one-third of the total members of the Committee or two whichever is higher.

MEETINGS:

The Committee shall meet as decided by the Chairman of the Committee.

ROLE AND RESPONSIBILITIES OF CSR COMMITTEE:

As per sub section (3) of section 135 of the Companies Act, 2013, the duty of the committee shall be as follows:

- Formulate and recommend to the Board, an annual action plan in pursuance of the CSR policy, which includes the following;
    a. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
    b. the manner of execution of such projects or programmes;
    c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
    d. monitoring and reporting mechanism for the projects or programmes; and
    e. details of need and impact assessment, if any, for the projects undertaken by the Company.
- Recommend the alteration to annual action plan, if any, to the Board during the

financial year;

- Recommend the amount of expenditure to be incurred on such activities;
- Review the periodical progress in implementing the CSR initiatives and ensure completion as per plan;
- Assess the impact of the CSR initiatives of the Company.
- Identify the ongoing CSR projects and recommend the CSR spend for such ongoing CSR Projects;
- To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time;
- Review the periodical progress in implementing the initiatives of ongoing CSR Projects and recommend modifications, if any, to the Board during the financial year for smooth implementation of such projects.

CSR BUDGET:

The Board of Directors shall allocate in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

AREA OF CSR ACTIVITIES:

The Company shall give preference to the local areas and areas around which it operates, for spending the amount earmarked for CSR.

The Company shall take up the following activities under CSR:

1. Promoting education, including special education for the differently abled.
2. Employment/Income enhancing vocational skills especially for women.
3. Rural development projects.
4. Slum area development.
   Explanation- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.]
5. Helping people affected by natural calamities including relief, rehabilitation and reconstruction activities.
6. Any other activity enumerated in the Schedule VII of the Act from time to time.

MODE OF IMPLEMENTATION:

The Company shall implement the identified activities in any of the following modes:

1. Directly by the employees of the Company.
2. Jointly with any NGO, Trust, Section 8 Company involved in similar initiatives.
3. Donating to any NGO, Trust, Section 8 Company for identified projects.

GENERAL:

This Policy shall be subject to review once in a year or earlier as may be deemed necessary by the Board/CSR Committee and in accordance with regulatory amendments from time to time.

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