

Preamble

Beardsell Limited (hereinafter referred to as the “Company”) is committed to being open and transparent with all stakeholders and in disseminating information in a fair and timely manner. The Company will comply with the continuous disclosure obligations as mandated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”), as amended from time to time.

The Company has adopted the following policy and procedures with regard to determination of Materiality of events or information which are required to be disclosed to the Stock Exchanges in terms of Regulation 30 of the Listing Regulations. This Policy has been formulated in accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Listing Regulations.

Purpose of the Policy

The purpose of this Policy is to determine materiality of events and information based on criteria specified under Clause (i) of sub-regulation (4) of Regulation 30 of the Listing Regulations and to ensure that the Company shall make disclosure of events/ information specified in Para A and B of Part A of Schedule III of the Listing Regulations to the Stock Exchanges and to provide guidance to Company and its Officers to make disclosures that are appropriate and would be consistent with the facts of each event.

Objectives of the Policy

The objectives of this Policy are as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly-traded company as laid down by the Listing Regulations, various securities laws and any other legislations.
- b. To ensure that the information disclosed by the Company is timely and transparent.
- c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation.
- d. To protect the confidentiality of material/ price sensitive information within the context of the Company's disclosure obligations.
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company.
- f. To ensure uniformity in the Company's approach to disclosures, raise awareness and reduce the risk of selective disclosures.

Criteria for determination of materiality of events/information

The Company shall consider the criteria as specified in Clause (i) of Sub-regulation (4) of Regulation 30 of the Listing Regulations for determination of materiality of events/information as under:

- a. the omission of an event or information 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:
 - 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;

In respect to the above, the average of absolute value of profit or loss is required to be considered by disregarding the 'sign' (positive or negative) that denotes such value as the said value / figure is required only for determining the threshold for 'materiality' of the event and not for any commercial consideration.

- 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, the event or information is considered material.

Disclosure of events or information

- a. The events / information specified in Para A of Part A of Schedule III of the Listing Regulations are deemed to be material events. Upon occurrence of such events/information the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality.
- b. The events/ information specified in Para B of Part A of Schedule III to the Listing Regulations shall be disclosed upon occurrence, based on application of the guidelines for materiality as specified above in this Policy.
- c. 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 listed entity which may be necessary to enable the holders of securities of the listed entity to appraise its position and to avoid the establishment of a false market in such securities.

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- d. The Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved/ closed, with relevant explanations.
- e. The Company shall disclose all events or information with respect to its Subsidiary(ies) which are material for the listed entity.

Implementation

In order to ensure that the Company complies with the disclosure obligations under Regulations 30 of the Listing Regulations, the following internal system has to be followed for reporting any event/ information which may require disclosure so that the event/ information can be properly assessed and decision can be made regarding its disclosure to the Stock Exchanges.

- a) The Board has authorised the Team comprising of the Chief Financial Officer and the Company Secretary, who shall, in consultation with the CEO / Managing Director (at present the Executive Director) of the Company, determine the materiality of an event / information and disclose the same to the stock exchanges.
- b) The General Managers (GM), Branch Managers (BM), and other employees having access to, or becoming aware of the occurrence of, an event and/or information referred here in the policy shall report such event or information, as soon as possible, to the Chief Financial Officer and the Company Secretary so as to enable them to determine the materiality of an event / information and disclose the same to the stock exchanges within specified timeline.
- c) On receipt of communication of material/ potential material event/ information, Chief Financial Officer and the Company Secretary in consultation with the CEO / Managing Director will:
 - i. Review event/ information and to take necessary steps to verify its accuracy;
 - ii. Apply criteria specified in the policy for determination of materiality of events/ information and assess whether the event/ information is required to be disclosed to the Stock Exchanges under the Listing Regulations.
 - iii. Review updating material developments on a regular basis, till such time the event is resolved/ closed.
- d) The Compliance Officer on behalf of the Company shall submit the disclosures with the Stock Exchanges 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.

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Provided that disclosure with respect to events for which timelines have been specified in Part A of Schedule II of Listing Regulations shall be made within such timelines.

- e) After making the announcement with the Stock Exchanges, the Company Secretary shall arrange to place it on the website of the Company. Such disclosures shall be hosted on the website of the company for a minimum period of five (5) years and thereafter as per the archival policy of the company.

Guidance on When an Event / Information can be said to have Occurred:

The company may be confronted with the question as to when an event/information can be said to have occurred for making disclosures. Guidance provided by the Securities and Exchange Board of India vide its circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, as amended from time to time, shall be followed to determine such a question.

In certain instances, it would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required, it would depend upon the timing when the listed entity 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 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, disclosure shall be made on receipt of approval of the event by the Board of Directors, pending Shareholder's approval. In case in-principle 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 Listing Regulations.

In the latter, the events/information can be said to have occurred when a listed entity 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.

Amendment

Any subsequent amendment / modification in the Listing Regulations or any other governing Act / Rules / regulations or re-enactment, impacting the provisions of this Policy, shall automatically apply to this Policy and the relevant provision(s) of this Policy shall be deemed to be modified and / or amended to that extent, even if not incorporated in this Policy.

The Board of Directors, shall have power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy as may be deemed necessary and in accordance with regulatory amendments from time to time.