

BRADY & MORRIS ENGINEERING COMPANY LIMITED

Policy on Determination and Disclosure of Materiality of Events and Information

1. Preface

In accordance with Clause (ii) of sub-regulation (4) of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of Directors (the "Board") of Brady & Morris Engg. Co. Ltd. (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.

2. Objective of the Policy

The objective 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, as amended from time to time.

3. Criteria for determination of materiality of events / information

The following criteria shall be considered for determination of materiality of events / information to be disclosed to the Stock Exchanges [as specified in clause (i) of sub-regulation 4 of Regulation 30 of the Listing Regulations, as amended from time to time]:

- (a) the omission of an event / information, which is likely to result in discontinuity or alteration of event or information already available publicly;
- (b) the omission of an event / information is likely to result in significant market reaction if the said omission came to light at a later date;
- (c) in case where the criteria specified in sub-clauses (a) and (b) are not applicable, an event / information may be treated as being material if in the opinion of the Board of Directors of the Company , the event / information is considered material.

BRADY & MORRIS ENGINEERING COMPANY LIMITED

4. Disclosure of events / information

A. The following are the events / information (as specified in Para A of Part A of Schedule III to the Listing Regulations, as amended from time to time) upon occurrence of which the Company shall make disclosure to the Stock Exchanges without any application of the guidelines for materiality:

- i. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any unit(s), division(s) or subsidiary of the listed entity or any other restructuring.

Explanation: For the purpose of this sub-para, the word 'acquisition' shall mean-

- a. acquiring control, whether directly or indirectly; or,
- b. acquiring or agreeing to acquire shares or voting rights in a company, whether directly or indirectly, such that -
 - the listed entity holds shares or voting rights aggregating to five per cent or more of the shares or voting rights in the said company, or;
 - there has been a change in holding from the last disclosure made under sub-clause (a) of clause (ii) of the Explanation to this sub-para and such change exceeds two per cent of the total shareholding or voting rights in the said company.
- ii. 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.
- iii. Revision in Rating(s).
- iv. Outcome of Meetings of the board of directors: The listed entity 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;

BRADY & MORRIS ENGINEERING COMPANY LIMITED

- 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 listed entity from stock exchange(s).
- v. Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) to the extent that it impacts management and control of the listed entity), 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.
- vi. Fraud/defaults by promoter or key managerial personnel or by listed entity or arrest of key managerial personnel or promoter.
- vii. Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), Auditor and Compliance Officer.
- vii (a). In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.

BRADY & MORRIS ENGINEERING COMPANY LIMITED

- vii (b).** Resignation of auditor including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
- i.** Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.
 - ii.** The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.
 - iii.** The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in sub-clause (i) above.
- viii.** Appointment or discontinuation of share transfer agent.
- ix.** Corporate debt restructuring.
 - x.** One time settlement with a bank.
 - xi.** Reference to BIFR and winding-up petition filed by any party / creditors.
 - xii.** 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 listed entity.
 - xiii.** Proceedings of Annual and extraordinary general meetings of the listed entity.
 - xiv.** Amendments to memorandum and articles of association of listed entity, in brief.
 - xv.** Schedule of Analyst or institutional investor meet and presentations on financial results made by the listed entity to analysts or institutional investors;

BRADY & MORRIS ENGINEERING COMPANY LIMITED

- B.** The following are the events / information (as specified in Para B of Part A of Schedule III to the Listing Regulations, as amended from time to time) upon occurrence of which the disclosure is to be made to the Stock Exchanges after applying the criteria of materiality as mentioned in Clause 3 above and after following the procedural guidelines as given hereafter in this clause:
- i.** Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
 - ii.** Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new lines of business or closure of operations of any unit/division (entirety or piecemeal).
 - iii.** Capacity addition or product launch.
 - iv.** Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
 - v.** 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.
 - vi.** Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
 - vii.** Effect(s) arising out of change in the regulatory framework applicable to the listed entity
 - viii.** Litigation(s) / dispute(s) / regulatory action(s) with impact.
 - ix.** Fraud/defaults etc. by Directors (other than key managerial personnel) or employees of listed entity.
 - x.** Options to purchase securities including any ESOP/ESPS Scheme.

BRADY & MORRIS ENGINEERING COMPANY LIMITED

- G. In case where an event occurs or information is available with the Company, which has not been indicated in A or B above, but which may have material effect on it, the Company will make adequate disclosures in regard thereof.
- H. 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 Archival Policy.

5. When an event / information can be said to have occurred

In certain instances, the occurrence of material events / information would depend upon the stage of discussion, negotiation or approval and in other instances where there is no such discussion, negotiation or approval required e.g. in case of natural calamities, disruptions etc., it would depend upon the timing when the company became aware of the events / information.

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.

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

6. Procedural Guidelines for determination of materiality of events / information

The Board of Directors of the Company has authorized the Company Secretary and Chief Financial Officer of the Company for the purpose of determining materiality of an event or information and make disclosure of such material event or information to the Stock Exchange/s.

7. Dissemination of this Policy

This policy shall be disclosed on the Company's website www.bradymorris.in the contact details of the authorized persons shall be disclosed to the Stock Exchanges and be made available on the Company's website as aforesaid.

BRADY & MORRIS ENGINEERING COMPANY LIMITED

8. Amendment

The Board of Directors of the Company is authorized to make necessary changes to the above policy as and when required. If any change is necessary to be made due to statutory amendments, the same may be made with the approval of the Chairman of the Company and the same shall be placed at the next meeting of the Board of Directors for its information and ratification.

9. Effective Date

This Policy is effective December 1, 2015.
