

Policy for Identification of 'Material' Outstanding Dues to Creditors

In terms of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), the Issuer shall make relevant disclosures in the Offer Documents for (i) outstanding dues to creditors based on the policy on materiality of the Board, which would be disclosed in the Offer Documents; and (ii) consolidated information on outstanding dues to small scale undertakings and other creditors, separately giving details of number of cases and amount involved.

In this regard, the Company shall make relevant disclosures in the Offer Documents for such creditors as referred to herein under;

- Complete details (names and outstanding amount as at the end of Fiscal 2021) about outstanding dues to small scale undertakings and other creditors which will be considered '*material*' if the amount due to any one of them exceeding 10% cost of raw material purchased as per last audited restated financial statements.
- The details of outstanding dues to such small scale undertaking and other creditors shall be uploaded on the website of the Company as required under SEBI ICDR Regulations.

The board of directors of the Company, discussed and approved this Policy. This Policy shall be effective from the date of approval of policy by the board.

In this Policy the term:

1. Issuer/Company means Befound Movement Limited.
2. Offer Documents means Draft Prospectus and the Prospectus