CONTINENTAL CONTROLS LIMITED

DETERMINATION OF MATERIALITY OF EVENTS / INFORMATION POLICY

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❖ BACKGROUND

Continental Controls Limited ("the Company") is required to frame a policy to determine the Material Events/ Information under Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the purpose of adequate, accurate, explicit and timely disclosure of the same to the Stock Exchange(s) and to assist the relevant employees of the Company in identifying any potential material event or information and reporting the same to the authorized Key Managerial Personnel, in terms of sub-regulation (5), for determining the materiality of the said event or information and for making the necessary disclosures to the stock exchanges.

❖ EFFECTIVE DATE

The Policy shall come into force with effect from April 12, 2025.

❖ APPLICABILITY

This Policy shall be applicable on all events and information in the Company, as and when they come under the criteria enumerated in the Policy.

❖ DEFINITIONS

"Act" means the Companies Act, 2013, rules framed there under and any amendments thereto

"Board of Directors" or "Board" means collective body of directors of the company or its committee

"**Company**", "This Company", "The Company" wherever occurs in the policy shall mean ***Continental Controls Limited.***

"Compliance Officer" means the Company Secretary of the Company

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

"Material Event" or "Material Information" shall mean such event or information as set out in the Annexure A or Annexure B, as may be determined in terms of the Policy. In the Policy, the words, "material" and "materiality" shall be construed accordingly

"Schedule III" means Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

"Unpublished Price Sensitive Information" means any information, relating to Company or its Securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily including but not restricted to, information relating to the following: -

i. financial results;
ii. dividends;
iii. change in capital structure;
iv. mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such

other transactions;

v. changes in Key Managerial Personnel (KMP);

Any other event as may be determined by the Company/ the Compliance Officer which is likely to materially affect the price of the Securities of the Company.

The words and expressions used but not defined in this Policy, but defined in the SEBI Act, 1992; Companies Act, 2013; the Securities Contracts (Regulation) Act, 1956; the Depositories Act, 1996 and other applicable laws, and/or the rules and regulations made there under shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

❖ DISCLOSURE OF EVENTS AND/OR INFORMATION

i. Events specified in Para A of Part A of Schedule III of Listing Regulations are deemed material events and shall be disclosed by the Company without applying any guidelines/ criteria. Such events are enlisted in Annexure I of this Policy.

ii. Events specified in Para B of Part A of Schedule III of Listing Regulations, the materiality of which has to be determined based on the application of guidelines for materiality. Such events are enlisted in Annexure II of this Policy.

iii. Any other information/ event viz. any 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.

iv. Events/ information with respect to subsidiaries which are material for the Company, shall also be disclosed to the Stock Exchanges in accordance with Listing Regulations.

v. The Company shall disclose all further material developments with respect to the disclosures referred to in this Policy on a regular basis, till the event is resolved/ closed, with relevant explanations.

vi. The Company may make disclosures of events/ information as specified by SEBI from time to time.

vii. Details to be provided to the Stock Exchanges while disclosing material events/ information shall be in compliance with the requirements of the Listing Regulations and circulars as may be notified by SEBI from time to time.

viii. In case where an event occurs or an information is available with the Company, which has not been indicated in Para A or B of Part A of Schedule III of the Listing Regulations, but which may have material effect on the Company, as determined by the Board of the Company or Authorized Persons in accordance with this Policy, the Company is required to make disclosures in regard thereof.

ix. In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30 of the Listing Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the Company

shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

❖ TIMELINES FOR DISCLOSURE OF MATERIAL EVENTS/ INFORMATION

i. The disclosure with respect to the events/ information for which timelines have been specified for Part A of Schedule III shall be made within such timelines. Refer Annexure I & II of this Policy.

ii. All events/information identified as material in line with the regulation and under this Policy shall be disclosed as soon as reasonably possible and, in any case, not later than the following:

(a) For all material events/ information for which decision is taken in a Board meeting within 30 (thirty) minutes from the closure of the board meeting;

(b) For all material events/ information emanating from within the Company within 12 (twelve) hours from the occurrence of the event or information;

(c) For all material events/ information relating to the Company but emanating from outside the Company within 24 (twenty-four) hours from the occurrence of the event or information.

(d) In case the disclosure is made after the stipulated timeline, the Company shall provide an explanation for the delay along with the disclosure.

❖ GUIDANCE ON OCCURRENCE OF EVENT/ INFORMATION & ITS TIMELY DISCLOSURE

i. The occurrence of material events/ information:

(a) depends upon the stage of discussion, negotiation or approval; and

(b) in case of natural calamities disrupting operations etc., it would depend upon the timing when the company became aware of the event/ information.

ii. In respect of the events under 7(i)(a), the events/information can be said to have occurred upon receipt of approval of the Board e.g. further issue of capital by rights issuance and in certain events/ information after receipt of approval of both i.e. Board and Shareholders.

However, considering the price sensitivity involved for certain events e.g. decision on declaration of dividends etc., disclosure shall be made on receipt of approval of the event by the Board, pending Shareholder's approval. Approvals other than final approval, such as in-principle approval or approval to explore (which is not final approval) given by the Board, will not require disclosure under this Policy.

iii. In respect of the events under 7(ii)(b), 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 Company has, or ought to have reasonably come into possession of the information in the course of the performance of his duties. The term 'officer' shall have the same meaning as defined under the Companies Act, 2013 and shall also include Promoter of the Company.

❖ GUIDELINES TO ASCERTAIN MATERIALITY OF AN EVENT OR INFORMATION

i. The Company shall consider the following criteria for determination of materiality of events/

information:

Qualitative criteria would mean:

(a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly;

(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;

Quantitative criteria would mean the omission of an event or information, whose value or the expected impact in terms of value, exceeds the least of the following:

(a) 2% (two percent) of turnover, as per the last audited consolidated financial statements of the Company;

(b) 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;

(c) 5% (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 terms of the SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, if 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.

ii. Materiality will be determined on a case to case basis depending on specific facts and circumstances relating to the information/ event. In order to determine whether a particular event/ information is material in nature, the 'quantitative' and/ or 'qualitative' factors shall be considered.

iii. In a case where the quantitative and qualitative criteria as above are not applicable, an event or information may be treated as being material if in the opinion of the Board of the Company, the event or information is considered material.

❖ RESPONDING TO MARKET ROMOURS

i. Effective from April 1, 2024, in terms of Regulation 30(11), the Company shall confirm, deny or clarify any event or information reported in the Mainstream Media which is not general in nature and which indicates that rumours of an impending specific Material Event or Information in terms of the SEBI Regulations are circulating amongst the investing public.

ii. The Company shall confirm/ deny/ clarify the market rumour, as soon as reasonably possible but not later than 24 hours from the reporting of event/ information.

iii. The Company shall also adhere to the Code of Fair Disclosure framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015.

❖ ADMINISTRATIVE MEASURES

i. Unless otherwise decided by the Board, the Authorized Persons shall be jointly or severally authorized to determine materiality of an event or information for the purpose of making

disclosure to the Stock Exchanges.

ii. The Authorized Persons will be guided by the circulars issued by SEBI from time to time, while expressing a view on whether an event/ information has occurred requiring a disclosure to be made under this Policy and the contents of such disclosure.

iii. The Authorized Persons shall take into consideration totality of factors surrounding the particular information to take a view on whether the information is market sensitive information.

iv. The Authorized Persons may seek expert advice where so felt necessary as to whether the information is required to be disclosed in accordance with the terms of this Policy.

v. The heads of various departments of the Company will support the Authorized Persons with regard to compliance of the terms of this Policy, and forthwith notify the Authorized Persons and provide all relevant details with regard to any event/ information which is likely to be construed as material under Clause 4 of this Policy.

vi. The contact details of the Authorized Persons shall be disclosed to the Stock Exchange(s) and also be placed on the Company's website.

vii. The Compliance Officer shall make necessary disclosures to the Stock Exchange(s) and ensure overall compliance of this Policy.

❖ INTERPRETATION

In any circumstance where the terms of this Policy differ from any existing or newly enacted law, rule or regulation governing the Company, the law, rule, or regulation will take precedence over this Policy and procedures until such time as this Policy is changed to conform to the law, rule or regulation.

❖ AUTHORITY TO MAKE ALTERATIONS

The Board is authorized to make such alterations to this Policy as considered appropriate, subject, however, to the condition that such alterations shall not be inconsistent with the provisions of the Regulations. The Company Secretary, being the Compliance Officer, is also authorized to make amendment in this Policy, where there are any statutory changes necessitating the amendment in the Policy

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Annexure I

Timeline for disclosure of events specified in Para A of Schedule III of the LODR Regulations

Para / subpara	Events	Timeline for disclosure
A. Events which shall be disclosed without any application of the guidelines for materiality as specified in sub regulation (4) of regulation (30):		
1.	Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the Company, sale of stake in the associate company of the Company or any other restructuring.	Within 12 hours *
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.	Within 12 hours *
3.	New Ratings(s) or Revision in Rating(s).	Within 24 hours
4.	Outcome of Meetings of the board of directors	Timeline as specified in sub-para 4 of Para A of Schedule III.
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.	Within 12 hours * (for agreements where Company is a party); Within 24 hours (for agreements where Company is not a party).
5A.	Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either	Within 12 hours * (for agreements where Company is a party); Within 24 hours (for agreements where Company is not a party

	directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements: Provided that such agreements entered into by a Company 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 Company or they are required to be disclosed in terms of any other provisions of these regulations.	
6.	Fraud or defaults by a Company, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.	Within 24 hours
7.	Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.	Within 12 hours * (except in case resignation);
		Within 24 hours (in case of resignation)
7A.	In case of resignation of the auditor of the Company, detailed reasons for resignation of auditor, as given by the said auditor.	Timeline as specified in subpara 7A of Para A of Schedule III.
7B.	Resignation of independent director including reasons for resignation.	Timeline as specified in subpara 7B of Para A of Schedule III.
7C.	Letter of resignation along with detailed reasons for the resignation as given by the key managerial personnel, senior management, Compliance Officer or director.	Timeline as specified in subpara 7C of Para A of Schedule III.
7D.	In case the Managing Director or Chief Executive Officer of the Company was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than forty-five days in any rolling period of ninety days, the same along with the	Within 12 hours *

	reasons for such indisposition or unavailability, shall be disclosed to the stock exchange(s).	
8.	Appointment or discontinuation of share transfer agent.	Within 12 hours *
9.	Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions	Within 24 hours
10.	One time settlement with a bank.	Within 24 hours
11.	Winding-up petition filed by any party / creditors	Within 24 hours
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.	Within 12 hours *
13.	Proceedings of annual and extraordinary general meetings of the Company.	Within 12 hours *
14.	Amendments to memorandum and articles of association of Company, in brief.	Within 12 hours *
15.	(a) Schedule of analysts or institutional investors meet and presentations made by the Company to analysts or institutional investors. (b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means.	Timeline as specified in subpara 15 of Para A of Schedule III.
16.	Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.	Within 24 hours
17.	Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called), the following disclosures shall be made to the stock exchanges by the Company: (a) The fact of initiation of forensic audit along-with name of entity initiating the audit and reasons for the same, if available; (b) Final forensic audit report (other than for forensic audit initiated by regulatory / enforcement agencies) on receipt by the Company along with comments of the management, if any.	Within 12 hours * (if initiated by the Company); Within 24 hours (if initiated by external agency).
18.	Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a Company, in relation to any event or	Within 24 hours

	information which is material for the Company in terms of regulation 30 of these regulations and is not already made available in the public domain by the Company.	
19.	Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following: (a) search or seizure; or (b) re-opening of accounts under section 130 of the Companies Act, 2013; or (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013;	Within 24 hours
20.	Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the Company, in respect of the following: (a) suspension; (b) Imposition of fine or penalty; (c) settlement of proceedings; (d) debarment; (e) disqualification; (f) closure of operations; (g) sanctions imposed; (h) warning or caution; or any other similar action(s) by whatever name called	Within 24 hours
21.	Voluntary revision of financial statements or the report of the board of directors of the Company under section 131 of the Companies Act, 2013	Within 12 hours *

*Note: In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.

Annexure II

Timeline for disclosure of events specified in Para B of Schedule III of the LODR Regulations

Para / subpara	Events which shall be disclosed upon application of the guidelines for materiality referred subregulation (4) of regulation (30)	Timeline for disclosure
B.		
1.	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.	Within 12 hours *
2.	Any of the following events pertaining to the Company: (i) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (ii) adoption of new line(s) of business; or closure of operation of any unit, division, or subsidiary (entirety or piecemeal)	Within 12 hours *
3.	Capacity addition or product launch.	Within 12 hours *
4.	Awarding, bagging/ receiving, amendment or termination of awarded/ bagged orders/ contracts not in the normal course of business.	Within 24 hours
5.	Agreements (viz. loan agreement(s) 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.	Within 12 hours * (for agreements where Company is a party); Within 24 hours (for agreements where Company is not a party).
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.	Within 24 hours
7.	Effect(s) arising out of change in the regulatory framework applicable to the Company.	Within 24 hours
8.	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the Company.	Within 24 hours
9.	Frauds or defaults by employees of the Company which has or may have an impact on	Within 24 hours

	the Company	
10.	Options to purchase securities including any ESOP/ESPS Scheme.	Within 12 hours*
11.	Giving of guarantees or indemnity or becoming a surety, by whatever name called, for any third party	Within 12 hours*
12.	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Within 24 hours
13.	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.	Within 12 hours *
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 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.	Within 24 hours
D	Without prejudice to the generality of para (A), (B) and (C) above, the Company may make disclosures of event/ information as specified by the SEBI from time to time.	Timeline as specified by the SEBI.

* Note: In case the event or information emanates from a decision taken in a meeting of board of directors, the same shall be disclosed within thirty minutes from the closure of such meeting as against the timeline indicated in the table above.