



## **Policy for Determination of Materiality of events and information for Disclosure to the Stock Exchange:**

### **Content:-**

- 1. Scope and Purpose**
- 2. Applicability**
- 3. Definitions**
- 4. Policy**
- 5. Interpretations**
- 6. Disclosure**
- 7. Manner to assist employees in identifying potential Material event**
- 8. Authority to make alterations**



## 1. Scope and Purpose

The Securities and Exchange Board of India (“SEBI”), on 2nd September, 2015, has come out with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations, 2015). By virtue of the Regulation 30 of said Listing Regulations, 2015, Continental Securities Limited (the “Company”) recognizes the need to frame a policy to determine the material events by testing the materiality as required under Regulation 30 for the purpose of proper, sufficient and timely disclosure of the same to the Stock Exchange (where the Company’s equity shares are listed, herein after called “the Exchange”).

This Policy for Determination of Materiality (the ‘Policy’) has been adopted by the Board of Directors of the Company.

## 2. Applicability

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

## 3. Definitions

I. “Board” shall mean the Board of Directors of the Company and shall include any committee of Board by whatever name called;

II. “Company” shall mean Continental Securities Limited;

III. “Compliance Officer” shall mean the Company Secretary of the Company or such other person as may be appointed by the Board as a Compliance Officer;

IV. “Key Managerial Personnel / KMP” means Key Managerial Personnel as defined in sub-section (51) of section 2 of the Companies Act, 2013

V. “Listing Regulations 2015” mean SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 which include modifications/ clarifications/ circulars thereof.

VI. “Material Event” or “Material Information” shall mean such event or information as set out in the Schedule III of Listing Regulation 2015 or as may be determined in terms of the Policy with respect to the Company or its subsidiaries which are material for the Company. In the Policy, the words, “material” and “materiality” shall be construed accordingly.

VII. “Officer” means as assigned to the term in clause (59) of Section 2 of the Companies Act, 2013 and shall include Promoters of the Company.

Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, or any other applicable law/regulation/rules.

## 4. Policy

A. The Managing Director, Chief Executive Officer, President & Chief Financial Officer, President & Chief Risk Officer and Company Secretary & Compliance Officer (“Authorized KMPs”) of the Company are severally authorized for the purpose of determining materiality of an event or information based on application



of this policy and guidelines for materiality as defined in sub-clause D of this clause and making disclosures to the stock exchanges.

The contact details of the above KMPs so designated including changes therein shall be disclosed to the stock exchange and also be placed on the Company's website.

B. Certain event of information would be per se Material Information/Event as per Para A of Part A of Schedule III of the Listing Regulations, 2015 as specified in Annexure-A or such other information as may be prescribed as material by SEBI from time to time and the same shall be disclosed without any application of guideline for materiality as specified in Listing Regulation.

C. Besides per se Material Information/Event as mentioned in clause 4(B) above, an event / information as mentioned in Para B & C of Part A of Schedule III of the Listing Regulations 2015 as specified in Annexure-B, would be deemed as Material Information / event which in the opinion of the Board of Directors of the Company is material or based on application of the criteria as specified in this policy, if any information or event or major development likely to affect the business which are exclusively known to the Company and which may be necessary to be disclosed to enable holders of securities of the Company to appraise its position and avoid establishment of false market in the securities and in order to enable investors to make well-informed investment decisions.

An illustrative list of the events to which the guidelines at clause 4(C) above would be applied shall be as per Para B and C of Part A of Schedule III of the Listing Regulations, 2015.

D. In addition to above, the Board of Directors and/or authorized KMPs shall also consider the following criteria for determination of materiality of events/ information:

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

(ii) The omission of an event or information, which is likely to result in significant market reaction if the said omission came to light at a later date; or

(iii) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:

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

(b) 2% 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% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company;

## **5. Interpretation**

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



## 6. Disclosure

The authorized KMPs shall observe the following for proper and timely disclosure to the Stock Exchange of any material events/ information as defined hereon:

I. For determining materiality of any event/transaction, reference is to be made to this Policy and the Regulations.

II. Disclosure of events enumerated in sub-para (1) to (3) Part-A of Schedule III of the Listing Regulations 2015 without application of this policy within timelines as may be specified under the Listing Regulation or by SEBI .

III. Disclosure of the events enumerated in sub-para 4 of Para- A of Part- A of Schedule III of the Listing Regulations 2015 shall be made within 30 minutes of the conclusion of the Board Meeting.

IV. All events mentioned in Para- A of Part A ( other than sub-para 4 ), Para -B, Para -C and Para - D of Part- A of Schedule III of the Listing Regulations 2015, shall be disclosed by the Company 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;

“Provided that in case the meeting of the board of directors closes after normal trading hours of that day but more than three hours before the beginning of the normal trading hours of the next trading day, the listed entity shall disclose the decision pertaining to the event or information, within three hours from the closure of the board meeting:

Provided further that in case the meeting of the board of directors is being held for more than one day, the financial results shall be disclosed within thirty minutes or three hours, as applicable, from closure of such meeting for the day on which it has been considered.”

- (ii) 12 (twelve) hours from the occurrence of the event or information, in case the event or information is emanating from within the listed entity;
- (iii) 24 (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 except claims which are made under other than non-tax litigation or dispute, such claims shall be made to the stock exchange(s) within seventy-two hours of receipt of the notice by the listed entity.
- (iv) or such other shorter timeline as may be specified by the SEBI from time to time.

### Notes:

- (i) In terms of SEBI Circular dated July 13, 2023 on “Disclosure of material events/information by listed entities under Regulation 30 and 30A of SEBI (LODR) Regulations, 2015, in case the event or information as 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 said circular.
- (ii) The Company shall, with respect to disclosures made in terms of this Policy and/or Listing Regulation 2015, make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.

# CONTINENTAL SECURITIES LIMITED



V. Disclosure of the events enumerated in clause 5A of Para- A of Part- A of Schedule III of the Listing Regulations 2015 shall be made within 2 working days to the Company by the parties to such agreements and the Company shall in turn disclose such event to the Stock Exchange and on its website within the timeline as follows:

- (i) within 12 hours where the Company is a party;
- (ii) within 24 hours where the Company is not a party.

VI. Any material development of an event/information disclosed shall be made to the exchange.

VII. All the disclosures made to the Stock Exchange under this Policy shall also be disclosed on the Website of the Company and the same shall be hosted for a minimum period of five years.

VIII. The Company shall also disclose all the events or information with respect to its Subsidiaries which are material for the Company.

IX. The Company shall provide specific and adequate reply to all queries raised by Stock Exchange with respect to any events or information.

X. The Company may on its own initiative also, confirm, deny or clarify upon the material price movement as may be specified by the stock exchanges, any reported event or information to Stock Exchange as soon as reasonably possible and not later than twenty four hours from the trigger of material price movement.

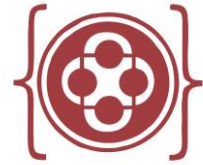
Provided further that when the company confirms within twenty four hours from the trigger of material price movement, any reported event or information on which pricing norms provided under Chapter V or Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or pricing norms provided under Regulation 8 or Regulation 9 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 or pricing norms provided under Regulation 19 or Regulation 22B of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 or any other pricing norms specified by the Board or the stock exchanges are applicable, then the effect on the price of the equity shares of the company due to the material price movement and confirmation of the reported event or information may be excluded for calculation of the price for that transaction as per the framework as may be specified by the Board.

The promoter, director, key managerial personnel or senior management of the company shall provide adequate, accurate and timely response to queries raised or explanation sought by the company in order to ensure compliance with the requirements of the above clause and the listed entity shall disseminate the response received from such individual(s) promptly to the stock exchanges.

If the Company confirms the reported event or information, it shall also provide the current stage of such event or information. (Applicable for top 100 listed entities and top 250 listed entities with effect from the date as may be specified by the Board.)

XI. 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, but which may have material effect on it, the Company is required to make adequate disclosures in accordance with this policy.

XII. In case an event or information is required to be disclosed by the Company in terms of this policy, 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.



7. Manner to Assist Employees in Identifying Potential Material Event The Company shall take necessary steps, awareness programs for spreading awareness amongst the relevant employees of the Company, as may be identified by the Board of Directors, Authorized KMPs or as specified by the SEBI, for assisting them in identifying any potential material event or information and reporting the same to the Authorized KMPs for determining the materiality of said event or information and for making the necessary disclosure to Stock Exchange.

8. Authority to make alterations The Board is authorized to periodically review and make such alterations to this Policy as considered appropriate, subject to the condition that such alterations shall not be inconsistent with the provisions of the Listing Regulations 2015. Approval of the Board will not be required for updating the List of events as given in annexure, if required to comply with the Listing Regulations 2015.

---

Date of last review by the Board: January 30, 2025