

EMPEE DISTILLERIES LIMITED

Policy for Determination and Disclosure of Materiality of Events and Information

Requirement:

Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Regulations”), inter alia, provides that every listed company shall make disclosures of any events or information which, in the opinion of the Board is material. It is necessary upon the Company to frame a policy for determination of materiality which should be duly approved by the Board of Directors (“Board”) of the Company and disclose on the Company’s web site.

In light of the above the Board at its meeting held on 12.11.2015 approved the Policy for Determination of Materiality and Disclosure of events or information pursuant to the requirements of Regulation 30 of the said Regulations.

1. Disclosure of Events and information on basis of applying materiality to Stock Exchanges

The information covered by this Policy shall include “information relating to the Company’s business, operations or performance, which has significant effect on securities movement of price or investment decision” that the Company is required to disclose in a timely and appropriate manner by applying the criteria for assessing materiality as mention in Clause 2.

The events and information that is to be disclosed based on the materiality principle are stated in **Annexure attached herewith.**

2. Criteria for determination of materiality of events / information

The criteria laid down in Regulation 30(4)(i) of the Regulations shall be applied for determination of materiality of the event or information are as under :

- a) The omission of an event or information, which is likely to result in discontinuity or alteration of event of 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;
- c) In case 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 listed entity, the event / information is considered material.

Further, the following materiality criteria shall be followed in the case of the Company, its Subsidiaries and Associate companies with respect to transactions for reporting to the Stock Exchange(s).

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The Event/ information will be considered material based on above criteria, where the value involved or the impact:

- (a) exceeds 10% (ten per cent) of the consolidated gross income, or
 - (b) exceeds 10% (ten per cent) of the consolidated net worth;
- whichever is lower.

3. Persons Responsible for Making Disclosure of Material Events and Information to Stock Exchanges

Any transaction, event or information relating to the Company and/ or its Subsidiaries that might be material is required to be reported immediately by the employees of the Company and/or its Subsidiaries to Key Managerial Personnel (CFO / Company Secretary) of Empee Distilleries Limited.

The Key Managerial Personnel will ensure that adequate disclosures with respect to such material events/ information are made to the stock exchanges within the timeline prescribed under the Regulations.

4. Amendments/Modifications

In case of any subsequent changes in the provisions of the Companies Act, 2013 or the Regulations or any other applicable law which makes any of the provisions in this Policy inconsistent with the Companies Act, 2013 or the Regulations or such applicable law, then the provisions of the Companies Act, 2013 or the Regulations or such applicable law would prevail over the Policy and the provisions in this Policy would be modified accordingly.

This Policy is available on the Company's website www.empeegroup.co.in and applicable from 1.12.2015.

Annexure

Events or Information that are to be disclosed:

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. 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).
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded /bagged orders/contracts not in the normal course of business.

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5. 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.
6. 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.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity
8. Litigation(s) / dispute(s) / regulatory action(s) with impact.
9. Fraud/defaults etc. by directors (other than key managerial personnel) or employees of listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety for any third party.
12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

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.

In addition to the above, the Board may disclose any event or information to the Stock Exchange as it deems fit.
