



Pradeep Ramakrishnan
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**भारतीय प्रतिभूति
और विनिमय बोर्ड**
**Securities and Exchange
Board of India**

CFD/FAC/PR/28614/2016
October 17, 2016

Mr. R K Baheti,
Director- Finance & CFO,
Alembic Pharmaceuticals Limited,
Alembic Road,
Vadodara- 390 003

Dear Sir,

Sub: Interpretative letter of opinion under SEBI (Informal Guidance) Scheme, 2003 in the matter of M/s Alembic Pharmaceuticals Limited

1. This has reference to your letter dated September 21, 2016 seeking guidance by way of an interpretative letter under the Scheme.
2. You have, *inter alia*, represented as follows:
 - a. M/s Alembic Pharmaceuticals Limited ("Applicant") is a public limited company engaged in the business of manufacturing pharmaceuticals products. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited.
 - b. The issued and paid-up share capital of the Company currently consists of 18,85,15,914 Equity Shares out of which the shareholding of the promoter group is 74.13%, i.e., 13,97,38,620 equity shares.
 - c. It has been submitted that 5 persons out of the total 25 persons who are included in the promoter group of the Company have expressed the desire for reclassification of their shareholding in the Company from promoter group to public category. These five persons cumulatively hold 1.45% of the equity share capital of the Company.
 - d. The reasons, as submitted by you, for reclassification for these five persons from the promoter category to public category are as follows:

सेबी भवन, प्लॉट सं. सी 4-ए, "जी" ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400 051.
दूरभाष : 2644 9950 / 4045 9950 (आई.वी.आर. एस.), 2644 9000 / 4045 9000 फैक्स : 2644 9019 से 2644 9022 वेब : www.sebi.gov.in

SEBI Bhavan, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
Tel 2644 9950 / 4045 9950 (IVRS), 2644 9000 / 4045 9000 Fax : 2644 9019 to 2644 9022 Web www.sebi.gov.in



- i. These 5 persons are the senior citizens and are leading their lives and occupations independently and are not connected, directly or indirectly, whatsoever, with any activity of the Company.
 - ii. These persons do not directly or indirectly, exercise control, over the affairs of the Company. They have also never held at any time; any position of key managerial personnel in the Company. They also do not have any special rights through formal or informal arrangements with the Company or promoters or any person in the promoter group. They would also never be privy to any price sensitive information of the Company.
- e. After their reclassification, the shareholding of the promoter group in the Company will be 72.68%.
3. On the basis of the above, you have sought interpretative letter from SEBI with respect to the following issues:
 - a. Whether the approval of the shareholders may be dispensed and the Company may approach the Stock Exchanges directly for permission under Regulation 31A (2) & (3) of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
4. We have considered the submissions made by you in your letter under reference. Without necessarily agreeing with your analysis given in your above mentioned letter, our view is that the company may not be required to obtain approval of the shareholders for the proposed reclassification. However, such reclassification may be allowed by the stock exchanges under Regulation 31A (2) and (3) of the Listing Regulations subject to compliance of Regulation 31A.
5. The above position is based on the information furnished in your letter under reference. Different facts or conditions might lead to a different result. Further, this letter does not express a decision of the Board on the question referred.
6. You may also note that the above views are expressed only with respect to the clarification sought in your letter under reference with respect to Listing Regulations and do not affect the applicability of any other law or requirements of any other SEBI Regulations, Guidelines and Circulars administered by SEBI or of the laws administered by any other authority.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Pradeep', with a flourish extending to the right.

Pradeep Ramakrishnan