

ALEMBIC LIMITED

CODE OF CONDUCT

Details of Adoption / Amendments to the Code				
Code Adoption / Change effective Date	Clause No.	Particulars of the Adoption / Change	Board Approval Date	Version of Code
30/03/2002	-	Adoption of Code of Conduct	30/03/2002	Original
05/11/2014	Addition of Clause 16	Pursuant to the Revised Clause 49 of the Listing Agreement as amended by SEBI circular dated 15-9-2014.	05/11/2014	V-2
30/01/2019	Various clauses	Pursuant to the amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from time to time.	30/01/2019	V-3

INTRODUCTION

This Code of Conduct helps to ensure compliance with legal requirements and business ethos and values. All are expected to read and understand this Code of Conduct, uphold these standards in day-to-day activities, comply with all applicable policies and procedures *in letter as well as in spirit*, and ensure that all concerned are aware of, understand and adhere to these standards.

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations, 2015”) stipulates that the Board of Directors of the Company shall lay down a code of conduct for all Board members and Senior Management personnel of the Company. Hence, certain clauses of this Code require specific compliance by only the Board members and Senior Management Personnel of the Company.

We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code of Conduct is subject to modification. The Board may update the code from time to time. In case of further clarifications, please contact any person from the Secretarial Department.

COMPLIANCE IS EVERYONE'S BUSINESS

As a Board member and/ or an employee, your responsibility is to respect and adhere to this Code of Conduct. Many of these practices reflect legal or regulatory requirements. Non-compliance of these laws and regulations can create significant liability for the Company, its directors, officers, and other employees. You should report such non-compliance, if any, to the Board of Directors or Company Secretary. You may also show your concerns for this purpose by sending a letter to the Board of Directors/ Secretary. Non-compliance of the Code of Conduct can lead to disciplinary action including termination.

DEFINITIONS

“**Act**” means Companies Act, 2013 read with rules framed thereunder, as amended from time to time.

“**Board of Director**” or “**Board Members**” means the Board of Directors of the Company, as constituted from time to time.

“**Company**” means Alembic Limited.

“**Independent Director**” means a director of the Company, who satisfies the criteria for independence provided under the Act and the Listing Regulations, 2015.

“Senior Management” means personnel of the company who are members of its core management team other than Directors including all members of management one level below the Chief Executive Officer / Managing Director / Whole-time Director / Manager (including Chief Executive Officer / Manager. In case they are not part of the board) and shall specifically include company secretary and chief financial officer.

The above definitions shall be read as provided in the amended provisions, if any, of the Act, Listing Regulations, 2015 or any other law and such change will not be considered as change in this Policy.

Any term(s) not defined hereinabove shall have the same meaning as assigned to such term(s) in the Act and / or the Listing Regulations, 2015 or any other applicable law or regulation.

1. Protecting the Company's Confidential Information

The Company's confidential information is a valuable asset. It includes but not limited to Intellectual Property Rights (IPRs), Research & Development Information, names and lists of customers, dealers, employees, any undisclosed financial information, process flow charts and recipes of its products, working plans of the Company, etc. All confidential information must be used for Company business purposes only with proper authorization. This responsibility includes the safeguarding, securing and proper disposal of confidential information in accordance with the Company's policy on Maintaining and Managing Records set forth in Policy and other Procedure Manual. This obligation also extends to confidential information of third parties, which the Company has rightfully received under Non-Disclosure Agreements.

2. Conflicts of Interest

Directors and employees shall not engage in any business, relationship or activity, which may be in conflict with the interest of the Company. Notwithstanding anything contained herein, an Independent Director / Non-Executive Director shall have the full liberty to pursue his / her independent professional / business / employment activities.

When such situation arises, the concern person should immediately and fully disclose the relevant circumstances to the immediate supervisor. In case of Board Members, the Board should be informed about such circumstances. Such transaction should be entered only after the intimation / approval of the Board of Directors.

What constitutes conflict of interest?

A conflict of interest exists where the interests or benefits of one person or entity in which he is interested, conflict with the interests or benefits of the Company.

For Example:

Outside Directorships. It is a conflict of interest to serve as a director of any company that competes with the Company. Our policy requires that you obtain prior approval from the Company's Board of Directors before accepting a directorship.

Business Interests. If you or any of your associates enter into any sort of business arrangement/ investments in a Company, customer, supplier, developer or competitor, you must ensure that the arrangement/ investment does not conflict/ compete your duties and responsibilities towards the Company. In such circumstances, you should obtain prior approval of the Board of Directors of the Company. Many factors should be considered in determining whether a conflict exists, including the size and nature of the arrangement/ investment; your ability to influence the Company's decisions; your access to confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company.

Related Parties. All related party transactions should be done after complying with Sections 184, 188 and 189 of the Act, Listing Regulations, 2015, relevant accounting standards and other applicable laws.

The Company's Audit Committee must review and approve such related party transactions. The Company must report all such material related party transactions as required under the Act, Listing Regulations, 2015, relevant accounting standards and other applicable laws, . Any dealings with a related party must be conducted in such a way that the interest of the Company is not jeopardized.

3. Obligations under Securities Laws - "Insider" Trading

In the normal course of business, the Directors and employees agents, contractors and consultants of the Company may come into possession of significant, price sensitive undisclosed information. You may not profit from it by buying or selling securities yourself. In the event of using such information for own benefit, the regulators [Stock Exchanges, SEBI, ROC, etc.] may inflict civil/criminal penalty.

For more details, please read the Company's Insider Trading Rules. You should comply with the Company's Insider Trading Rules, follow the pre-clearance procedures for trading and trade only during a trading window.

4. Business Opportunities

Directors and employees should not exploit opportunities for their own personal gain those are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board of Directors declines to pursue such opportunity.

5. Requests by Regulatory Authorities

The Company and its Directors, employees, agents and contractors must cooperate with appropriate government inquiries and investigations. In this context, however, it is important to protect the legal rights of the Company with respect to its confidential information. All government requests for information, documents or investigative interviews must be referred to the Board of Directors or Company Secretary.

6. Regulatory Compliance

The directors, employees, agents and contractors must comply with all applicable laws, regulations, rules and regulatory orders. Each employee, agent and contractor must acquire appropriate knowledge of the requirements relating to his or her duties sufficient to enable him or her to recognize potential dangers. Non-compliance of laws, regulations, rules and orders may subject the employee, agent or contractor to individual criminal or civil liability, as well as to discipline by the Company.

Further to this, the concerned Board Members and Senior Management personnel of the Company are supposed to give the quarterly compliance report of all laws applicable and coming under their purview. In case there is any non-compliance of the laws coming under their purview, the respective person should report along with the steps taken to rectify the instances of the non-compliances.

The said reports should be submitted to the Company Secretary of the Company for record and it should be placed before the Board Meeting for noting.

7. Protecting Company's Assets

The use of Company's assets for illegal or non-ethical business purposes shall be strictly prohibited. The Directors and employees are responsible for the proper use of Company assets and must safeguard such assets against loss, damage, misuse or theft. The Company's assets are to be used for Company business purposes only. Employees, agents and contractors may not use Company assets for personal use, nor may they allow any other person to use Company assets.

8. Financial Reporting and Records Practices

The Company's responsibilities to its stockholders and the investing public require that all transactions be fully and accurately recorded in the Company's books and records in compliance with all applicable laws. All required information shall be accessible to the Company's auditors and other authorized persons and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documentation or approval are strictly prohibited and violate Company policy and the law. No willful omission/commission of any transactions from the books and records should be done. Any willful material misrepresentation of and/or misinformation of the financial accounts and reports shall be regarded as a violation of the Code apart from inviting appropriate civil or criminal action under the relevant laws. The Chief Financial Officer shall produce a Certificate about financial reporting pursuant to the applicable provisions of the Listing Regulations, 2015.

9. Selecting Suppliers

The Company's suppliers make significant contributions to our success. To create an environment where our suppliers have an incentive to work with the Company, they must be confident that they will be treated lawfully and in an ethical manner. The Company's policy is to purchase supplies based on need, quality, service, price and terms and conditions. The Company's policy is to select significant suppliers or enter into significant supplier agreements through a competitive bid process wherever possible. Under no circumstances should any Company employee, agent or contractor attempt to coerce suppliers in any way.

10. Free and Fair Competition

The Company shall fully strive for the establishment of a fair and competitive market play. The Company shall market its products and services on its own merits and shall not make unfair and misleading statements which may induce any stakeholder or customer to trade with/in the Company's shares, products or other services.

11. Workplace free of Harassment

The Company believes in maintaining dignity of human being irrespective of the race, religion, creed, color or designation. The Company is committed to provide a work environment free of harassment. The Company policy prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, national origin or ancestry, physical or

mental disability, medical condition, marital status, age, sexual orientation, or any other basis protected by, state, or local law or ordinance or regulation from time to time.

12. Drug, Tobacco and Alcohol Abuse

To meet our responsibilities towards our stakeholders and community as a whole, the Company must maintain a healthy and productive work environment. Misusing controlled substances, or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs, tobacco and alcohol on the job is absolutely prohibited.

13. Equal opportunities in employment

The Company shall provide equal opportunities to all its candidates/ employees and all qualified applicants for employment, without regard to their race, caste, religion, color, ancestry, marital status, sex, age, nationality, disability and veteran status.

14. Payments or Gifts from others

Under no circumstances, Director, employee, agents or contractors should accept any offer, payment, promise to pay or authorization to pay any money, gift or anything of value from customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commission of any fraud. Inexpensive gifts, infrequent business meals, celebratory events or entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this policy. Gifts given by the Company to suppliers or customers or received from the suppliers or customers should always be appropriate to the circumstances and should never be of kind that can create an appearance of impropriety. The Complimentary Gifts given/ taken on the occasions like New Year, etc. do not violate the policy provided that they are not excessive or create an appearance of impropriety.

15. Media Policy

To facilitate the achievement of our vision, apart from achieving our business plans, it is necessary to communicate our achievements and plans in the most effective manner through the media to our investors, customers, existing and potential, and to the community at large in which we operate. This policy is important not only from the context to evolving and maintaining an effective

relationship with the media but also for legally safeguarding the information released to the media. In this context, it is important that all statements to the media shall be true and fair and only selected persons who are authorized to speak to media shall disseminate the information only after approval from the Chairman. Disclosure of forward looking statements should be combined with cautionary statements. No information which is deemed to be ‘non-public information’ shall be disclosed to a selected group.

16. Duties of Independent Directors

The independent directors shall -

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;
5. strive to attend the general meetings of the company;
6. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
10. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company’s code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
13. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price



sensitive information, unless such disclosure is expressly approved by the Board or required by law.

17. Specific conformation of Compliance with the Code by Board Members and Senior Management personnel

In compliance with the provisions of the Listing Regulations, 2015, every Board Member and Senior Management personnel must acknowledge and execute an understanding of the code and an affirmation that they have complied with the Code on annual basis or upon revision of this code. New Board Members and / or Senior Management personnel will sign such code at the time of joining.

18. Disciplinary Actions

The matters covered in this Code of Conduct are of the utmost importance to the Company and its stockholders and are essential to the Company's ability to conduct its business in accordance with its high standards of inherited rich values. We expect all of our Board Members, employees, agents, contractors and consultants to adhere to these rules in carrying out their duties for the Company.

The Company will take appropriate disciplinary action against the person whose actions are found to violate this code.

19. Disclosures

The Company shall disclose this Code on its website.

20. Amendment:

The Board shall have the power to amend any of the provisions of this Code, substitute any of the provisions with a new provision or replace this Code entirely with a new Code.



ACKNOWLEDGMENT OF CODE OF CONDUCT

(Please sign and return this form to the Board of Directors/ Company Secretary of the Company.)

I have received, read, understood and agreed to comply with the Company's Code of Conduct from time to time. I understand that there may be additional policies or laws specific to my job. I further agree to comply with the other applicable Company's Codes and policies from time to time.

If I have questions concerning the meaning or application of the Company's Code of Conduct, any Company policies, or the legal and regulatory requirements applicable to my job, I would consult to my immediate supervisor or the Board of Directors.

Name _____

Signature _____