

ALEMBIC LIMITED

POLICY ON DETERMINING MATERIALITY OF EVENTS/INFOMRATION

Details of Amendments to the Policy				
Policy Change effective Date	Clause No.	Particulars of the Change	Board Approval Date	Version of Policy
5 th November, 2015	-	Adoption of Policy	5 th November, 2015	Original
10 th August, 2023	Various clauses	Changes incorporated pursuant to amendments in Listing Regulations, 2015 vide notification dated 14 th June, 2023.	10 th August, 2023	V-2
12 th December, 2024	IV & VI	Pursuant to the amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, from time to time	7 th February, 2025	V-3

This Policy was last reviewed by Board on 7th February, 2025.

I. SCOPE OF THE POLICY

- A. This policy is prepared in accordance with the requirements of the provisions of Regulation 30(4)(ii) of the SEBI (Listing Obligation and Disclosure) Regulation, 2015 (**“Listing Regulations, 2015”**) as may be amended from time to time. The Board of Directors (**“Board”**) of Alembic Limited (**“Company”**) has adopted this policy at its meeting held on 5th November, 2015, for determination of materiality of events/information in order to enable the Company to broadly classify, categorize and promptly disclose to the stock exchanges material events/information, in accordance with the Regulations.

II. OBJECTIVE OF THE POLICY

- A. The Company believes in principles of disclosure and transparency and understands that timely disclosure of relevant information to the shareholders of the Company is important to protect the interests of shareholders of the Company. Non-compliance with the principles of disclosure and transparency can present potential risks to Company including by way of loss of shareholder confidence, non-compliance risks of the various regulations to the Company and may raise questions about the governance practices in the Company.
- B. This policy on the determination of materiality of events/Information, as required under 30(4)(ii) of the Regulation is laid down to express the policy of the Company for identification/determination of material events/information which require prompt disclosure to the Stock Exchanges in accordance with the Regulations.
- C. This Policy may be amended at any time by the Board of Directors (**“the Board”**) of the Company and is subject to further guidance from SEBI or amendments to or re-enactment of Regulations.

III. RELEVANT REGULATIONS

- A. Schedule III Part A Para-A of the Listing Regulations, 2015 prescribe a list of events which are deemed to be material events and are required to be disclosed by the Company promptly to the shareholders through the stock exchange by the Company within the prescribed time.
- B. Schedule III Part-A Para B, C and D of the Listing Regulations, 2015 specifies the list of events which may or may not be material to the Company and for which the Company has to apply the guidelines for materiality as specified in Regulation 30(4) in order to determine whether the event is material.
- C. Regulation 30(4) reads as follows

“(i) The listed entity shall consider the following criteria for determination of materiality of events/ information:

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

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

(1) two percent of turnover, as per the last audited consolidated financial statements of the listed entity;

(2) two percent of net worth, as per the last audited consolidated financial statements of the listed entity, except in case the arithmetic value of the net worth is negative;

(3) 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 listed entity;

(d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the listed entity, the event or information is considered material:

Provided that any continuing event or information which becomes material pursuant to notification of these amendment regulations shall be disclosed by the listed entity within thirty days from the date of coming into effect of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2023.

(ii) The listed entity shall frame a policy for determination of materiality, based on criteria specified in this sub-regulation, duly approved by its board of directors, which shall be disclosed on its website.

Provided that such a policy for determination of materiality shall not dilute any requirement specified under the provisions of these regulations:

Provided further that such a policy for determination of materiality shall assist the relevant employees of the listed entity 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 exchange(s).”

IV. POLICY STATEMENT

A. The Company through this policy intends to determine whether an event or information is material or not in the following manner:

- a. Step 1: Classifying the information or event as i) Having an immediate monetary impact in the current or next financial year (“**Monetary Events/Information**”) or ii) Not having any immediate monetary impact in the current or next financial year (“**Non-monetary Events/Information**”).
- b. Step 2: For Monetary Events/Information if the total monetary impact of the event/information on the either the assets, liabilities, expenses or turnover of the Company exceeds the lower of (a) 2 % (two percent) of the turnover of the Company as per the latest audited consolidated financial statements; or (b) 2 % (two percent) of net worth of the Company, as per the last audited consolidated financial statements, except in case the arithmetic value of the net worth is negative; or (c) 5 % (five percent) of the average of absolute value of profit or loss after tax of the Company, as per the last three audited consolidated financial statements, then such events shall be classified as material events and promptly disclosed to the stock exchanges and on the website of the Company by any of the Authorised KMPs.
- c. Step 3: For Non-Monetary Events/Information that, i) have a bearing on the performance/operation of the Company or ii) which is considered to be unpublished price sensitive information [as per the SEBI (Prohibition of Insider Trading) Regulations, 2015] shall be evaluated by the Authorised KMPs for disclosure. The Authorised KMPs shall evaluate the information based on the criteria as provided in 30(4).
- d. Step 4: The Authorised KMPs are authorized for the purpose of determining materiality of an event or information, in case of any doubt on whether any Event/Information is material or not.

B. In addition to the above for all items specifically provided in Schedule III Part A Para B the determination of materiality shall be as follows:

Schedule III Part-A (B) Sub- Clause No.	Event/Information	Classification as per Policy	When can it be considered material
1	Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.	Monetary Event/Information	When monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.

Schedule III Part-A (B) Sub- Clause No.	Event/Information	Classification as per Policy	When can it be considered material
2	Any of the following events pertaining to the listed entity: (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or (b) adoption of new line(s) of business; or (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal).	Such event/information could be either Monetary or Non-Monetary Event/Information	If the event is a Monetary Event/Information then, when monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above. If the event is a Non-Monetary Event/Information then, when the Authorised KMPs determine it needs to be disclosed.
3	Capacity addition or product launch.	Monetary Event/Information	When monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.
4	Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.	Monetary Event/Information	When monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.
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.	Monetary Event/Information	When monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.
6	Disruption of operations of any one or more units or division of the listed entity	Monetary Event/Information	When monetary impact exceeds thresholds as provided in Step 2 of

Schedule III Part-A (B) Sub- Clause No.	Event/Information	Classification as per Policy	When can it be considered material
	due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.		Clause A(i) of the policy statement above.
7	Effect(s) arising out of change in the regulatory framework applicable to the listed entity	Such event/information could be either Monetary or Non-Monetary Event/Information	<p>If the event is a Monetary Event/Information then, when monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.</p> <p>If the event is a Non-Monetary Event/Information then, when the Authorised KMPs determine it needs to be disclosed.</p>
8	Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.	Such event/information could be either Monetary or Non-Monetary Event/Information	<p>If the event is a Monetary Event/Information then, when monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.</p> <p>If the event is a Non-Monetary Event/Information then, when the Authorised KMPs determine it needs to be disclosed.</p>

Schedule III Part-A (B) Sub- Clause No.	Event/Information	Classification as per Policy	When can it be considered material
9	Fraud/ or defaults by employees of listed entity which has or may have an impact on the listed entity.	Such event/information could be either Monetary or Non-Monetary Event/Information	<p>If the event is a Monetary Event/Information then, when monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.</p> <p>If the event is a Non-Monetary Event/Information then, when the Authorised KMPs determine it needs to be disclosed.</p>
10	Options to purchase securities including any ESOP/ESPS Scheme.	Such event/information could be either Monetary or Non-Monetary Event/Information	<p>Framing of an ESOP/ESPS scheme shall always be considered to be material and require disclosure by the company.</p> <p>Issue of ESOP's or other similar rights to KMP's shall be disclosed as per the guidelines prescribed in the ESOP / ESPS Scheme.</p> <p>If the event is a Monetary Event/Information then, when monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.</p>

Schedule III Part-A (B) Sub- Clause No.	Event/Information	Classification as per Policy	When can it be considered material
			If the event is a Non-Monetary Event/Information then, when the Authorised KMPs determine it needs to be disclosed.
11	Giving of guarantees or indemnity or becoming a surety by whatever named called for any third party.	Monetary Event/Information	When monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.
12	Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.	Such event/information could be either Monetary or Non-Monetary Event/Information	<p>If the event is a Monetary Event/Information then, when monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.</p> <p>If the event is a Non-Monetary Event/Information then, when the Authorised KMPs determine it needs to be disclosed.</p>
13	Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority	Monetary Event/Information	When monetary impact exceeds thresholds as provided in Step 2 of Clause A(i) of the policy statement above.

C. Nothing in this policy is intended to restrict the Company from voluntarily disclosing any additional information and the Authorised KMPs are jointly authorised to disclose additional information as may be considered important by the Authorised KMP's for disclosure to the shareholders.

V. IMPLEMENTATION AND MONITORING

- A. The Managing Director, Whole Time Director, Chief Financial Officer and Company Secretary (“Authorised KMPs”) of the Company are jointly and severally authorized by the Board to decide whether any event or information is material and for the purposes of making disclosures to the stock exchanges. The Contact Details of the Authorised KMPs shall be also disclosed to the Stock Exchange(s) as well as on the Company’s website.

VI. MATERIALITY IDENTIFICATION, ASSESSMENT AND REPORTING GUIDELINES:

Regulation 30 (4) of the Listing Regulations, 2015 provides that this Policy document should assist relevant employees of the Company in identifying any potential material event or information and for reporting the same to the authorized Key Managerial Personnel so as to enable them to determine the materiality of the said event or information and for making the necessary disclosures to the stock exchange(s).

With the intention of achieving this objective, this Policy will be uploaded on the Company's website and distributed to all relevant employees i.e., Functional Head or Senior Management Personnel as may be decided by the Board or the Authorised KMPs. All relevant employees must familiarize themselves with this policy and promptly report potential material events or information to the Authorised KMPs for enabling timely reporting.

Time frame for disclosure of event of information

The Company will disclose all the events or information or such other filings as required under the Listing Regulations, 2015 as per the timelines prescribed thereunder as detailed below:

Sr. No.	Nature of Information	Timelines for Disclosure
1.	For all material events/information for which decision is taken in a Board Meeting.	Within 30 minutes from the closure of the Board Meeting. In case the Board Meeting 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

		<p>or information, within 3 hours from the closure of the Board Meeting.</p> <p>In case the Board Meeting is being held for more than one day, the financial results shall be disclosed within 30 minutes or 3 hours, as applicable, from closure of such meeting for the day on which it has been considered.</p>
2.	For all material events/information emanating from within the Company.	Within 12 hours from the occurrence of the event or information.
3.	For all material events/information relating to the Company but emanating from outside the Company.	<p>Within 24 hours from the occurrence of the event or information.</p> <p>In respect of claims which are made against the Company under any litigation or dispute, other than tax litigation or dispute, in terms of sub-paragraph 8, of paragraph B of Part A of Schedule III of Listing Regulations, 2015, if all the relevant information is maintained in the structured digital database of the listed entity in terms of provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the disclosure with respect to such claims shall be made to the stock exchange(s) within 72 hours of receipt of the notice by the Company.</p>

VII. CHANGE MANAGEMENT

The Board and the Authorised KMPs shall severally have the power to amend any of the provisions of this Policy, substitute any of the provisions with a new provision or replace this Policy entirely with a new Policy.

Any amendments in the policy undertaken by the Authorized KMPs shall be informed to the Board of Directors in their ensuing meeting.
