

13th September, 2019

National Stock Exchange of India Limited
Exchange Plaza
Plot No. C/1, G Block
Bandra Kurla Complex
Bandra (East), Mumbai 400 051.
NSE Scrip Code: ALEMBICLTD

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001.
BSE Scrip Code: 506235

Dear Sirs,

Subject: Apportionment of Cost of Acquisition of Equity Shares of Alembic Limited and 7% Non-Convertible Cumulative Redeemable Preference Shares of Shreno Limited pursuant to the Composite Scheme of Arrangement

With reference to the captioned matter, please find enclosed herewith the communication being issued for general guidance of Equity Shareholders of the Company in relation to the apportionment of the pre-demerger cost of acquisition between the equity shares of Alembic Limited and the 7% Non-Convertible Cumulative Redeemable Preference Shares (7% NCRPS) of Shreno Limited for the purposes of the Income-tax Act, 1961. The same is also available on the website of Alembic Limited.

A copy of the above communication will also be sent to all those shareholders to whom the 7% NCRPS are issued along with the allotment advice by Shreno Limited.

Please take note of the above information on your record.

Thanking You,
Yours truly,
For **Alembic Limited**


Drigesh Mittal
Company Secretary



Encl: as above

ALEMBIC LIMITED

FOR ATTENTION OF THE SHAREHOLDERS OF ALEMBIC LIMITED

The Hon'ble National Company Law Tribunal, Ahmedabad Bench has vide its order dated 26th July, 2019 sanctioned the Composite Scheme of Arrangement between Alembic Limited ('First Demerged Company' or 'Alembic') and Shreno Limited ('First Transferee Company' or 'Second Demerged Company' or 'Shreno') and Nirayu Private Limited ('Second Transferee Company' or 'Nirayu') and their respective shareholders ('Scheme') under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

In terms of the Scheme, the Demerged Undertaking 1 of Alembic Limited has been demerged and stands transferred and vested in Shreno Limited, on a going concern basis.

On 10th September, 2019, Shreno Limited has allotted 1 (One) 7% Non-Convertible Cumulative Redeemable Preference Share (7% NCRPS) of Rs. 2/- (Rupees Two Only) each at a premium of Rs. 14.50/- per share for every 1 (One) equity share of Rs. 2/- (Rupees Two Only) each held by shareholders of the Alembic Limited as on record date fixed for the purpose i.e. 27th August, 2019 pursuant to the Scheme.

For the purpose of determining the post demerger cost of acquisition of the equity shares of Alembic Limited and the cost of 7% NCRPS of Shreno Limited under the Income Tax Act, 1961, the shareholders are advised to apportion their pre-demerger cost of acquisition of Alembic Limited's equity shares in the following manner:

Name of the Company	% of Cost of Acquisition of Alembic Limited's equity shares
Towards Equity Shares of Alembic Limited	98.84 %
Towards 7% NCRPS of Shreno Limited	1.16 %

Accordingly, the cost of acquisition of 7% NCRPS allotted in Shreno Limited will be 1.16 % of the total cost of acquisition of the Equity Shares held in Alembic Limited, prior to the demerger. The same is based on "net book value" of the assets of the demerged undertaking to the "net worth" of Alembic Limited. This is based on the certificate obtained from M/s. Dhruv A & Co., Chartered Accountants.

Further, according to the provisions of Section 47(vid) of the Income Tax Act, 1961, the issue of 7% NCRPS by Shreno Limited pursuant to the Scheme, to the equity shareholders of the Alembic Limited in consideration of the transfer and vesting of the Demerged Undertaking 1 will not be regarded as transfer.

This communication is merely for the general guidance of the shareholders and should not be considered as a substitute for any independent opinion that the shareholders may obtain. Alembic Limited takes no express or implied liability in relation to this guidance.



ALEMBIC LIMITED