

May 2, 2022

**The Manager – Listing  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex  
Bandra (East), Mumbai – 400051.  
Symbol: PEL**

Kind Attn: Mr. Harshad Dharod

**Ref: Letter bearing reference no. NSE/LIST/29207 II dated April 20, 2022**

**Sub: Response to Observation Letter for draft composite scheme of arrangement amongst Piramal Enterprises Limited and Piramal Pharma Limited and Convergence Chemicals Private Limited and Hemmo Pharmaceuticals Private Limited and PHL Fininvest Private Limited and their respective shareholders and creditors**

Dear Sir,

We thank you for the captioned letter. Please see below our responses to the observations mentioned therein:

1. *“The Company shall ensure disclosure of all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the scheme.”*

Response:

- 1.1 Piramal Enterprises Limited (the “**Company**” or “**PEL**”) has disclosed litigations/proceedings which have been filed against the Company and its promoters and directors in relation to the business of the Company in the usual course of business/operations of the Company, before Hon'ble NCLT and will likewise disclose the same to the shareholders, while seeking their approval of the scheme.
2. *“The Company shall ensure that additional information, if any submitted by the Company, after filing the scheme with the stock exchange, and from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges.”*

Response:

- 2.1 Noted. In compliance with the above, the Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchanges, from the date of receipt of the captioned letter, is displayed on the websites of the Company and the stock exchanges.
3. *“The entities involved in the Scheme shall duly comply with various provisions of the circular.”*

Piramal Enterprises Limited

CIN : L24110MH1947PLC005719

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Secretarial Dept : Ground Floor, B Block, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai, Maharashtra 400070, India

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Response:

- 3.1 We submit that the Company and Piramal Pharma Limited (“PPL”), Convergence Chemicals Private Limited (“CCPL”), Hemmo Pharmaceuticals Private Limited (“HPPL”) and PHL Fininvest Private Limited (“PFPL”) shall duly comply with various applicable provisions of the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time and as consolidated in SEBI Master Circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021.
4. *“The Company is advised that the information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.”*

Response:

- 4.1 We submit that the information pertaining to PPL, CCPL, HPPL and PFPL, the unlisted companies involved in the scheme, shall be included in the relevant format specified for abridged prospectus in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval for the scheme.
5. *“Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.”*

Response:

- 5.1 Noted. This has been complied with.
6. *“The Company is advised that the details of the proposed scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to shareholders.”*

Response:

- 6.1 We submit that the details of the scheme as provided by the Company to the stock exchanges shall be prominently disclosed in the notice to be sent to the shareholders.
7. *“Company is advised that proposed equity shares to be issued in terms of the “scheme” shall mandatorily be in demat form only.”*

Response:

- 7.1 We submit that the new equity shares proposed to be issued by PPL as part of the Scheme shall mandatorily be in demat form only.
8. *“Company is advised that the scheme shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.”*

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Response:

- 8.1 We submit that the scheme will be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.
9. *“Company shall ensure that no changes are made to the draft scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI.”*

Response:

- 9.1 We submit that no changes to the draft scheme except those mandated by the regulators / authorities / tribunals shall be made without specific written consent of SEBI.
10. *“Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the company is obliged to bring the observations to the notice of NCLT.”*

Response:

- 10.1 We submit that the Company has incorporated the Observation Letters issued by the Stock Exchanges, in the form of annexures to the petition filed before the Hon’ble NCLT.
11. *“The company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme.”*

Response:

- 11.1 We submit that the Company shall duly comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder, including obtaining the consent from the creditors for the scheme.
12. *“It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/Stock Exchanges. Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.”*

*“It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/Stock Exchanges. Hence, the company is not required to send notice for representation as mandated under Section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/ observations/ representations.”*

Response:

- 12.1 This is noted.

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13. *“Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus as specified in the Circular.”*

Response:

- 13.1 *As noted in paragraph 4.1 above, where applicable in the explanatory statement of the notice to be sent by the Company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted companies involved in the format prescribed for abridged prospectus.*

14. Further, with respect to the conditions highlighted by your good office, we submit that the Company shall fulfil the Exchange’s criteria for listing the securities of PPL and shall also comply with other applicable statutory requirements. The Company further confirms to comply with the conditions mentioned with respect to the listing of PPL pursuant to the scheme which are as under:

- 14.1 *To submit the Information Memorandum containing all the information about Piramal Pharma Limited and its group companies in line with the disclosure requirements applicable for public issues with National Stock Exchange of India Limited (“NSE”) for making the same available to the public through website of the companies. The following lines must be inserted as a disclaimer clause in the Information Memorandum:*

***“The approval given by the NSE should not in any manner be deemed or construed that the Scheme has been approved by NSE; and/ or NSE does not in any manner warrant, certify or endorse the correctness or completeness of the details provided for the unlisted Company; does not in any manner take any responsibility for the financial or other soundness of the Resulting Company, its promoters, its management etc.”***

- 14.2 *To publish an advertisement in the newspapers containing all the information about Piramal Pharma Limited in line with the details required as per SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as NSE.*

- 14.3 *To disclose all the material information about Piramal Pharma Limited to NSE on the continuous basis so as to make the same public, in addition to the requirements, if any, specified in SEBI (LODR) Regulations, 2015 for disclosures about the subsidiaries.*

- 14.4 *The following provision shall be incorporated in the scheme:*

*(i) “The shares allotted pursuant to the Scheme shall remain frozen in the depositories system till listing/trading permission is given by the designated stock exchange.”*

*(ii) “There shall be no change in the shareholding pattern or control in Piramal Pharma Limited between the record date and the listing which may affect the status of this approval.*

Response:

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In relation to the observation listed in paragraph 14.3 above, we submit that the Company will continue to comply with all applicable requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**LODR**”). Post listing, PPL will cease to be a subsidiary of the Company and, as a listed company shall comply with the applicable provisions under LODR.

The provisions as listed in the observations in paragraph 14.4 have already been incorporated in clause 19.8 of the scheme, hence, no modifications are required to be made to the scheme document in this regard. The said clause 19.8 of the scheme is reproduced below (with the relevant clauses highlighted in bold):

“19.8 *The PPL Equity Shares will be listed and/ or admitted to trading on the Stock Exchanges. The Resulting Company shall enter into such arrangements and give such confirmations and/ or undertakings as may be necessary in accordance with Applicable Law or regulations for the Resulting Company with the formalities of the Stock Exchanges. **The PPL Equity Shares shall remain frozen in the depositories system till listing and trading permission is given by the designated stock exchange. There shall be no change in the shareholding pattern or control in the Resulting Company between the Demerger Record Date and the listing which may affect the status of approvals received from the Stock Exchanges, other than as provided in the Scheme.** The Resulting Company will not issue/ reissue any shares, not covered under this Scheme, till the date of listing of the equity shares issued under this Scheme on the Stock Exchanges.”*

Further, as instructed, the Company shall ensure filing of compliance status report stating the compliance with each point of the Observation Letter on the draft scheme of arrangement in the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015 > Seeking Observation Letter to compliance status.

Thanking you.

Regards,

**For Piramal Enterprises Limited**

**Bipin Singh**  
**Company Secretary**