

PIRAMAL ENTERPRISES LIMITED

Transcript of the National Company Law Tribunal Convened Meeting of the Equity Shareholders of Piramal Enterprises Limited held on Tuesday, July 5, 2022 at 10:00 a.m. (IST) through Video Conference

– **Moderator:**

- Dear Shareholders, good morning and a warm welcome to all of you to the NCLT Convened Meeting of the Equity /Shareholders of Piramal Enterprises Limited which is being conducted through video conference. I hope all of you are safe and in good health. I would like to take you through certain points regarding your participation at this meeting. The facility of joining the meeting through video conference is being made available for equity shareholders on a first-come first-serve basis. All equity shareholders who have joined this meeting are by default placed on Mute mode by the host to avoid any disturbance arising from background noise, and to ensure smooth and seamless conduct of the meeting. The company has received requests from a few shareholders to register them as speakers at the meeting. Accordingly, the floor will be open for those members to ask questions or express their views. The moderator will facilitate the session once the Chairperson opens the floor for questions and answer. Once the Q&A session starts, the moderator will announce one by one the names of the shareholders who have registered as speaker shareholder. The speaker shareholder will thereafter be unmuted by the host to start speaking. The shareholder is requested to click the Video On button. If the shareholder is not able to join in through video mode for any reason, the shareholder may speak through the audio mode. While speaking, we would request you to kindly use earphones and a microphone so that you're clearly audible, minimise any noise in the background, ensure the wi-fi is not connected to any other device or devices, no other background applications are running, and there is proper lighting to have a good video and audio experience. If there is a connectivity problem at the speaker shareholder's end, we will invite the next speaker to join. Once connectivity improves, the speaker shareholder will be called again to speak once other shareholders who have registered finish speaking. Kindly restrict your queries or comments to a maximum of 3 minutes. During the meeting, if a member faces any technical issues, he/she may contact the helpline number mentioned in the notice of the meeting. Thank you and over to you Chairman sir.

– **Mr. M.A. Kuvadia - Chairman Appointed for the Meeting:**

- Good Morning, Ladies and Gentlemen. I welcome you all to the Equity Shareholders Meeting of the Company convened as per notice dated 26th May, 2022. I, M.A. Kuvadia- Formal Regional Director of Ministry of Corporate Affairs, am the Chairperson appointed by the Hon'ble National Company Law Tribunal Mumbai Bench, to conduct the meeting. With regards to the proceedings of the meeting, I would like to inform you that the meeting is being convened pursuant to the order of the NCLT dated 12th May 2022 as rectified by order 3rd June 2022, for the purpose of considering the composite scheme of arrangement amongst Piramal Enterprises Limited, Piramal Pharma Limited, Convergence Chemicals Private Limited, Hemmo

Pharmaceutical Private Limited, PHL Fininvest Private Limited and their respective shareholders and creditors. Equity shareholders are to take notice that this meeting is convened under the order of NCLT only to discuss this scheme and is not for any other business of the company. The meeting is being held through video conference in compliance with the direction issued by order of NCLT Companies's Act, 2013, and the rules, circulars and notifications made thereunder, as maybe applicable under SEBI Listing Regulation. As the requisite quorum is present in the meeting in terms of order of NCLT, I call the meeting to order. The company has received necessary authorisation from authorised representatives. Since the meeting is being held through VC, there is no physical attendance of the shareholders and the requirement of attendance of proxy is not applicable. Copies of various documents as detailed in the explanatory annexed to the notice of the meeting are available for inspection electronically. As the notice of the meeting is already circulated to the equity shareholders, with permission, I take the notice of convening the meeting as read. In compliance with the provisions of the Companies's Act, 2013 read with rules prescribed thereunder and SEBI Listing Regulations, the Company has provided the facility of remote e-voting to all equity shareholders. The remote e-voting commenced on 2nd July, 2022 at 9 a.m. and concluded on 4th July, 2022 at 5 p.m. In compliance with the rules of e-voting framed under the Companies Act, 2013, the voting of the meeting will be conducted by the same e-voting system of NSDL, which was used during the remote e-voting. Equity shareholders who have already cast their vote by remote e-voting, are not eligible to vote again at this meeting. The equity shareholders who have not cast their vote, may please go to the e-voting page on the website of NSDL and cast their vote while watching the proceedings of the meeting. Mr. Bhaskar Upadhyay, Practicing Company Secretary, and failing him Mr. Ainesh Jethwa, Practicing Company Secretary of M/s N.L. Bhatia & Associates and M/s/. Ainesh Jethwa & Associates, Practicing Company Secretaries, respectively, have been appointed as scrutiniser to scrutinise remote e-voting and e-voting during the meeting in a fair and transparent manner. The results of the remote e-voting, with the results of the e-voting at the meeting, will be declared by 7th July, 2022 and will be placed on the website of the company and NSDL, and will be communicated to the stock exchanges where the equity shareholders of the company are listed. Now, I request Mr. Bipin Singh – Company Secretary, to apprise you about the scheme and its rationale.

- **Mr. Bipin Singh - Company Secretary, Piramal Enterprises Ltd:**
- Thank you Chairman Sir. Good Morning, ladies and gentlemen. I will now proceed with apprising you about the scheme and its rationale. The proposed scheme provides for the following:
- Transfer by way of demerger or the pharma business from the company to Piramal Pharma Limited, a subsidiary of the company. In consideration of the said demerger, shareholders of the company would get equity shares of PPL in proportion to the shareholding in the company as per the share entitlement ratio i.e. for every 1 equity share of Rs. 2 each held in PEL, 4 equity shares of Rs. 10 each in Piramal Pharma Limited, post which PPL shall apply for listing its equity shares on NSE and BSE.

- The amalgamation of Convergence Chemical Private Limited and Hemmo Pharmaceuticals Private Limited, both being wholly-owned subsidiaries of PPL into PPL.
- The amalgamation of PHL Fininvest Private Limited, a wholly-owned subsidiary of the Company into PEL.
- Pursuant to this amalgamation, PEL would become a Non-Banking Financial Company pursuant to RBI approval.
- The brief rationale for the scheme is, to segregate the pharmaceutical and the financial services business, thereby creating two strong and distinctive platforms to unlock the potential value of each business vertical.
- To provide more focused management and flexibility, as well as liquidity for shareholders following the listing of the shares of PPL pursuant to the scheme.
- And, this would also insulate and de-risk both the businesses from each other and allow potential investors and other stock holders the option of being associated with the business of their choice.
- To enable streamlining of the group’s structure in a manner that results in creation of a single NBFC.
- The detailed rationale for proposing the above matter and other necessary information, including salient features of the scheme, is mentioned in the explanatory statement appended to the notice convening this meeting, which has already been circulated to all the equity shareholders.
- I will now hand it back over to the Chairperson to take up the resolutions as set forth in the notice.
- **Mr. M.A. Kuvadia - Chairman Appointed for the Meeting:**
- Thank you, Mr. Bipin Singh. I now put forth the matter for your consideration for approving composite scheme of arrangement. The text of the resolution along with the explanatory statement is provided in the notice circulated to the equity shareholders. Since the meeting is being held through VC and the resolution mentioned in the notice meeting have been already put to vote through remote e-voting, there will be no proposing or seconding the resolution. I now invite the equity shareholders who have pre-registered as speakers, to keep their questions brief and specific to avoid repetition. The answer to all questions would be provided towards the end. I now request the moderator to call out the first speaker.
- **Moderator:**
- Dear shareholders, when your name is announced, your microphone will be unmuted. Kindly switch your camera on and speak. Kindly restrict all comments or queries to a maximum of 3 minutes. Our first speaker shareholder is Mr. Manoj Kumar Gupta.

– **Mr. Manoj Kumar Gupta – Shareholder:**

- Hello. Good Morning, Respected Chairman of the meeting, Board of Directors and fellow shareholders. My name is Manoj Kumar Gupta and I'm equity shareholder of Piramal Enterprises Limited. Sir, first of all, thank you for chairing the meeting, and thanks to the Company Secretary and his team and the entire Secretarial Department for helping us to join this meeting through VC. Special thanks to the Company Secretary who is kept the inspiring team under his leadership who always help the people in attending the meeting. I have got 6 calls from the company that your name has been registered and we will inform you at the time. Yesterday I got 2 calls. Thanks that such people are there in the corporate house and... Sir, I strongly support all the resolutions which are proposed in this NCLT called EGM. Through this meeting, if the scheme is implemented, the market cap will increase, market price will increase and all small investors will benefit and all investors' price will go up and they will benefit. I thank our beloved Chairman Mr. Ajay Piramal for taking this visionary decision to demerge the pharma business and to allot proportionate ratio of shares to the shareholders. It shows how much he likes small investors and wants to give return to the investors. I have full faith and confidence in the leadership of Mr. Ajay Piramal with this renowned board of directors. Last but not the least, I strong support all the proposed resolutions in this NCLT meeting and do convey our best wishes to our beloved Chairman. Thank you sir.

– **Moderator:**

- Thank you so much Mr. Manoj Kumar Gupta. We move on to our next speaker shareholder Ms. Lekha Satish Shah.

– **Ms. Lekha Satish Shah – Shareholder:**

- Hello, can you hear me sir?

– **Moderator:**

- Yes ma'am, loud and clear.

– **Ms. Lekha Satish Shah – Shareholder:**

- Thank you Sir. Respected Chairman Sir, Board of Directors and my fellow members, Good Morning to all of you. I'm Lekha Shah from Mumbai. First of all, I'm very thankful to our Company Secretary Bipin ji for extending very good investor services and also for sending me the EGM notice well in time. Sir, I'm very grateful to our Company Secretary Mr. Bipin bhai. Sir, I'm confident that with your vision and determination, you will lead our Company to greater heights. And also, I pray to God that our Company should progress more and more and so should you and your team. Sir, in today's meeting, I believe, any decision taken by the Chairman Sir will be good for the shareholders. Sir, I would to ask only one question – has there been any impact of the COVID 2nd wave on the company operations? Sir, I would like to say, I strongly support the special resolutions for today's meeting. My best wishes are always with our Company and towards its prosperity. Thank you Sir.

– **Moderator:**

– Thank you Ms. Lekha Shah. We move on to our next speaker shareholder Mr. Santosh Kumar Saraf.

– **Mr. Santosh Kumar Saraf – Shareholder:**

– Namaskar. Respected Chairman, Board of Directors and my fellow shareholders present in this video conference of the NCLT meeting, namaskar! I pray to find all the Directors and Management in good health. I support the resolutions, but I seek your clarification on a couple of items. We have been told that the intention is to separate the finance and the pharma business and make them separate entities, and we would in turn receive 4 pharma shares for every 1 share held. Sir, you have 3 companies that would be merging, namely Convergence Chemical Pvt Ltd and Hemmo Pharmaceuticals Pvt Ltd, both of which are pharma companies. Who will they be merging with? Will they merge first and then demerge? These are pharma companies and your intention is to keep the pharma and finance business separate, and the third company is anyway a finance company. So will you demerger them before merging or vice versa? As per the format, it would be going in the finance category, so please clarify that. I would not like to say anything more. I'm hopeful that the Company will do well after the merger/demerger and we will get a handsome dividend and good results. I pray to God to bless you and your family with a long life. I hope the in next financial year you'll be in good health and stay safe. Jai Hind! Jai Bharat!

– **Moderator:**

– Thank you Mr. Santosh Kumar Saraf. We'll move on to our next speaker shareholder Mr. Prakashini Ganesh Shenoy.

– **Mr. Prakashini Ganesh Shenoy – Shareholder:**

– Hello, can you hear me Sir?

– **Moderator:**

– Yes ma'am, loud and clear.

– **Mr. Prakashini Ganesh Shenoy – Shareholder:**

– I'm Prakashini Shenoy from Mumbai. Respected Chairman, M.A. Kuvadia Sir, other dignatories on the Board and my fellow shareholders, good morning to all of you. I received the NCLT report well in time, which is self-explanatory. I thank the Company Secretary Mr. Bipin Singh and his team for the same. I should not forget to thank Mr. Bipin Singh once again for asking his assistant to phone me and give me the link for the Zoom meeting, without which I wouldn't be in a position to speak. Sir, my predecessors have asked all questions and the Chairman has given best explanation regarding today's NCLT convened meeting, so I have nothing to ask. I wish the Company good luck for a bright future and pray to God that the profit of the

company shall reach the peak in due course. Sir, I wholeheartedly and strongly support all the resolutions put forth in today's meeting. Thank you sir.

– **Moderator:**

– Thank you Ms. Shenoy. Our next speaker shareholder is Mr. Yusuf Yunus Rangwala.

– **Mr. Yusuf Yunus Rangwala – Shareholder:**

– Good morning sir. Good morning to the dynamic Chairman and my fellow shareholders. I'm speaking from the city of Mumbai. Can you hear my voice Sir?

– **Moderator:**

– Yes Sir, please carry on.

– **Mr. Yusuf Yunus Rangwala – Shareholder:**

– I'm very happy with our Chairman Sir. Sir, please accept my Namaskar! And no amount of thanks would be enough for Bipin Sir. A madam from his team called me yesterday and checked if I received the link, which I was very happy about. Sir, 5 companies are merging, and you would be giving us 4 shares of the pharma company. I know it's our sister company, but what would be the total staff strength in the pharma company? And what do I say about the leadership of Mr. Ajay Piramal, it's brighter than the moonlight. He puts the moon to shame, that's the kind of person he is. I thank him and pray to God to keep him in good health. And sir, I congratulate you for being appointed for this meeting and we seek your guidance. This is just like a mini-bonus to us sir. Thank you and my best wishes are with you. I support all your resolutions. I have nothing more to add sir. If possible, do arrange a factory visit for us. Thank you very much. Jai Hind!

– **Moderator:**

– Thank you very much Mr. Rangwala. We move on to our next speaker shareholder Mr. Aspi Bamanshaw Bhesania.

– **Mr. Aspi Bamanshaw Bhesania – Shareholder:**

– Sir, can you see me and hear me?

– **Moderator:**

– Yes Sir, we can see you and hear you clearly as well.

– **Mr. Aspi Bamanshaw Bhesania – Shareholder:**

– Okay. Sir, I'm Aspi from Mumbai. On page 25 it is written, 'The details of the promoters of PPL are as follows: Only Piramal Enterprises'. Sir, but 20% of the shares were given to a PE investor, that is not mentioned anywhere. I would like to know how many shares were issued to the PE investor and at what price? Sir, then again, for each share of PEL of Rs. 2, we'll be getting 4 shares of Rs. 10 each. That means

the equity, instead of Rs. 2 will be Rs. 40. Sir, why such a big equity for the pharma company? Sir, I would like to have the Profit & Loss A/c latest one of the pharma company and the NBFC. Sir, and I didn't get 6 calls, I got only 2-3 calls. Thank you very much and all the best.

– **Moderator:**

– Thank you very much Mr. Bhesania. We had one more speaker shareholder who had registered, Mr. Abhishek J, but he does not appear to have logged in. So, with that, we conclude this part of the Q&A session, and I hand the proceedings back to our respected Chairperson, our Company Secretary and Chief Financial Officer to answer the queries raised by our speaker shareholders. Gentlemen, over to you.

– **Mr. Bipin Singh - Company Secretary, Piramal Enterprises Ltd:**

– Thank you very much. I would like to thank all the shareholders for taking the time out and actually coming and attending the meeting. Thank you Mr. Gupta, Ms. Shah, Mr. Saraf, Mrs. Shenoy, Mr. Rangwala, Aspi and I think Abhishek did not join; thank you for your comments. I think the question that we had is, how much of staff we will have? I think Mr. Rangwala asked that question, after merger. The only thing I can tell you is, right now, there is no plan to let anybody go. So, all the staff which is presently there will become the staff of Piramal Pharma Limited So, there's going to be nobody leaving the company or nobody is being asked to leave the company. The numbers I'll give you in some time, if you wish to have. The shares of PEL are actually being distributed. The holding that PEL has in Piramal Pharma Limited that will be distributed to the shareholders of PEL. So, Carlyle will continue to hold 20% in the equity of Piramal Pharma, that is what I can tell you. I think that question was asked by Aspi. And on the financial statements, we will be sending it out very shortly. I think by the 6th you should start receiving the Annual Reports of PEL, and then you will receive the financial statements of those companies also there for the year 2021-22. Thank you all so much for joining, and with this, I'll hand it over to the Chairperson to conclude the meeting.

– **Mr. M.A. Kuvadia - Chairman Appointed for the Meeting:**

– Thank you, Mr. Bipin Singh. We have tried to answer all the questions raised by the equity shareholders to the best extend possible. Now I request the equity shareholders who have not cast their vote on the resolution, to exercise their vote through e-voting facility available on the NSDL platform, which will continue to be available for the next 15 minutes. The business of the meeting is now complete and I declare the meeting closed. I thank you all for cooperating with me in smoothly conducting the meeting. Thank you.

– **END OF TRANSCRIPT.**