

## **PIRAMAL ENTERPRISES LIMITED**

**Transcript of the 76<sup>th</sup> Annual General Meeting of Piramal Enterprises Limited held at 3:00 p.m. (IST) on Friday, June 30, 2023 through video conferencing**

- **Mr. Bipin Singh – Company Secretary, Piramal Enterprises Limited:**
- Dear shareholders, good afternoon, and a warm welcome to you all to the 76<sup>th</sup> Annual General Meeting 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 the participation at this meeting. The facility of joining the AGM through video conference is being made available for members on first-come, first-serve basis. All Members who have joined this meeting are by default placed on mute by the host to avoid any disturbance arising from background noise and ensure smooth and seamless conduct of the meeting. The company has received requests from a few Members 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 this session once the Chairman opens the floor for question and answers. Once the Q&A session starts, the moderator will announce the names of the members who have registered as speaker shareholder one-by-one. The speaker shareholder will thereafter be unmuted by the host. To start speaking, the speaker shareholder is requested to click the 'Video On' button. If the speaker shareholder is not able to join through video for any reason, the shareholder can speak through the audio mode. While speaking, we can request the speaker to use earphones so that he/she is clearly audible; minimize any noise in the background; ensure that Wi-Fi is not connected to any other device; 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 shareholders end, we would ask the next speaker to join. Once the connectivity improves, the speaker shareholder will be called again to speak once the other speaker shareholders complete their turn. We would like to request the shareholders to limit their speech to 3 minutes. During the AGM, if a member faces any technical issues, he may contact the helpline number mentioned in the notice of the AGM. Please note that the proceedings of this Annual General Meeting are being recorded. In compliance with the provisions of the Companies Act 2013, the rules prescribed thereunder and SEBI Listing regulations, the Company had provided the facility of remote e-voting to all Members. The remote e-voting commenced on 27 June, 2023 at 9:00 AM and concluded on 29 June, 2023 at 5:00 PM. In compliance with the rules on e-voting framed under the Companies Act 2013, the voting at the AGM will be conducted by the same e-voting system of NSDL, which was used during remote e-voting. Members who have already cast their votes by remotely e-voting are not eligible to vote again at this meeting. Members 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. Bharat R. Upadhyaya, Practicing Company Secretary failing him Mr. Bhaskar Upadhyaya Practicing Company Secretaries of M/s. N L Bhatia & Associates, Practicing Company Secretaries have been appointed as a Scrutinizes for the remote e-voting and the e-voting at the AGM. Since the AGM is being held through video conference and the resolutions mentioned in the notice of the AGM have already been put to vote through remote e-voting, there will be no proposing or seconding of the resolutions. The results of the remote e-voting along with the results of the e-voting at the meeting will be declared by 4<sup>th</sup> July, 2023, and will be placed on the website of the Company and NSDL and will also be communicated to the Stock Exchanges. I now handed over to Mr. Ajay G. Piramal, Chairman of the company. Over to you, Sir.
- **Mr. Ajay Piramal – Chairman, Piramal Enterprises Ltd.:**
  - Good Afternoon, Ladies and Gentlemen. I welcome you all to the 76<sup>th</sup> Annual General Meeting of the shareholders of our Company. I hope you and your families are safe and in good health. This AGM is being held through video conference in accordance with the circulars issued by the Ministry of Corporate Affairs and SEBI. Live proceedings of this AGM is also being webcast on the e-voting website of NSDL. The Company has taken the requisite steps to enable Members to participate and vote on the items we considered at this AGM. As the requisite quorum is present for this AGM, I call the meeting to order. I will now introduce the members of the board;
  - The Chairman of the Audit Committee, Mr. Rajiv Mehrishi.
  - The Chairman of the Nomination and Remuneration Committee, Mr. S Ramadorai.
  - The Chairman of the Stakeholders Relationship Committee, Mr. Suhail Nathani.
  - The Chairperson of the Risk Management Committee and the Corporate Social Responsibility Committee, Ms. Shikha Sharma.
  - Dr. (Mrs.) Swati Piramal, Vice Chairperson.
  - Mr. Kunal Bahl, Independent Director.
  - Mr. Gautam Doshi, Independent Director.
  - Ms. Anjali Bansal, Independent Director.
  - Mr. Puneet Dalmia, Independent Director.
  - Ms. Anita George, Independent Director.
  - Mr. Anand Piramal, Non-Executive Director.

- Ms. Nandini Piramal, Non-Executive Director.
- Mr. Vijay Shah, Non-Executive Director.
- Apart from them, we also have key executives and key senior management joining from their respective locations. Representatives of the statutory auditors and secretarial auditors are also present at this meeting. The Company has taken all feasible steps to enable the members to participate and cast their votes at this AGM. The e-voting facility is active and will be active until 15 minutes after the end of the discussions on the resolutions. We have received authorized representations for 43.24% of the share capital from the corporate members, which are valid and accepted by the Company. Since there is no physical attendance of the shareholders, the requirement of appointing proxies is not applicable. The registers as required to be kept open for inspection at the AGM under the Companies Act, 2013 are open and available for inspection during the meeting electronically on NSDL website under the tab AGM documents. As the notice of the meeting is already circulated to the shareholders, with your permission, I take the notice convening the meeting as read.
- The Auditor's report which forms part of the annual report, which has been circulated to all shareholders does not contain any qualification, observation, or comment on financial transactions or matters which have any adverse effect on the functioning of the company. Accordingly, in accordance with the provisions of the Companies Act, 2013, the auditor's report is not required to be read out at the meeting.
- I will now proceed with providing you with some of the highlights on the financial performance of the Company. India, today ranks as the 5<sup>th</sup> largest economy in the world according to world GDP rankings 2023 with the fastest growth rate among major economies. As economies across the globe grapple with geopolitical tensions, high inflationary environment, and monetary tightening, the India story is one of resilience, backed by strong domestic macro fundamentals, stable external relations, and prudent governance. India is at the cusp of making a greater impact at a global stage as we progress into the Amrit Kaal. Given this backdrop, FY2023 has been a milestone year for Piramal Enterprises Limited and I'm pleased to share the key milestones with you today. We completed one year of post DHFL's acquisition and integration. PEL today has a PAN India platform with the successful integration of DHFL combined with our multiproduct retail offerings and strategic use of technology. The overall AUM stood at ₹63,989 crores with the AUM mix of retail wholesale of 50:50. The retail loan book witnessed a growth of 49% year-on-year and stood at ₹32,144 crores as of 31<sup>st</sup> March, 2023. We also completed the demerger of the pharma business in the second quarter of FY2023.
- We now have two separate sector focused listed entities in financial services and pharmaceuticals; namely, Piramal Enterprises Limited and Piramal Pharma Limited respectively. The demerger allows us to simplify our structure focusing on strengthening governance practices while we optimize capital utilization. Both entities will now focus

on independent growth strategies helping unlock shareholder value, and providing shareholders the opportunity to be a part of two distinct growth stories. We are already a sizable national scale NBFC with an equity of ₹31,059 crores and capital adequacy ratio of 31%. We continue to maintain a strong liquidity with cash and liquid investments of ₹7,430 crores, 9% of total assets, and well capitalized balance sheet.

- Over the past few years, our objective has been to build diversified and resilient businesses with a strong emphasis on execution. We have made significant headway enabling us to enhance our risk management capabilities and successfully navigate through various economic and business cycles. Some of the steps taken are the simplification of the corporate structure. Creating two separate pureplay entities has resulted in a stronger governance architecture with dedicated board and management teams. This allows us to ensure optimal capital structures for each business and will facilitate the businesses to grow independently by pursuing both organic and inorganic growth opportunities. It also facilitates a better understanding of each entity within the analyst and investor community.
- A focus on retailization, over the key focus areas for PEL has been to increase the share of retail loans in the AUM mix. PEL's retail portfolio comprises various lending products under 4 broad buckets of housing loans, secured MSME like this lab, other secured loans, and unsecured lending. New to credit and undeserved customers are tapped into by both the vast expansive physical branch network of 404 branches and through key digital partnerships. Steady disbursements have resulted in the change of retail-wholesale mix to 50:50 which is in line with our stated midterm target. PEL is on track to achieve our stated goal of reaching retail wholesale mix of 2/3 and 1/3 respectively.
- We are building a diversified and scalable portfolio. The retail business provides us the diversification on a business level thereby mitigating concentration risk. We have adopted a technology backed multiproduct approach that fosters scalability and growth. In FY2023, retail disbursement stood at ₹18,371 crores witnessing a healthy 6 times growth on a year-on-year basis. Our customer franchise stands at a commendable figure of 3 million and new customers acquired over 3 times over the last year to 0.4 million customers with base greater than 1 million. As we continue to expand our retail lending business, we are also investing in manpower, branch infrastructure, technology, and analytics to ensure future growth. We are de-risking our wholesale 1.0. The Company has taken a strategic call to run down the wholesale 1.0 book. By focusing on recoveries and monetization efforts last year, we successfully reduced the portfolio by 33% on a year-on-year basis bringing it to ₹29,000 crores as on March 23. We maintain our emphasis on resolving stressed assets, which will further moderate the wholesale book size in the near term. A dedicated specialized team is working towards monitoring and executing the resolution strategy for complex recoveries and enforcement.

- We are also building a granular wholesale 2.0, which in FY2022, we laid the foundation of wholesale 2.0 and continue to make significant progress on our strategy building this book to a calibrated manner while capitalizing on the market gap. We continue to build our book across the real estate and the corporate midmarket lending. In Real Estate, we will focus on large and medium sized developers selectively entering into Tier 2 and Tier 3 markets, which are relatively under penetrated. The average ticket size is claim at ₹200 crores. The corporate midmarket loans are granular, cash flow backed, and spread across multiple sectors and geographies with an average ticket size of ₹55 crores. We are focused on building a layered book with different risk return propositions while adhering to boundary conditions and guardrails. The Wholesale 2.0 AUM stood at ₹2,792 crores as of 31<sup>st</sup> March, 2023, which is backed by enhanced risk management processes and best in class governance.
- Our risk management and technology, risk management internal controls, and assurance processes are embedded into all facets of our operations. Sustainability and Risk Management Committee has been set up to ensure implementation of stricter controls and procedures facilitate the shift towards a more sustainable economy and encourage the adoption of technological advancements. Our state-of-the-art Piramal Innovation Lab, a 36,000 square feet hub in Bangalore is established to accelerate the development of next generation lending solutions and analytics. We are dedicated to building a world class tech driven lending business that leverages artificial intelligence and operates on a cloud native infrastructure enabling scalability.
- Adequate provisioning and enhanced focus on resolution is our other important area. Our gross NPA and net NPA stood at 3.8% and 1.9% respectively in March 2023. The asset quality of the retail book has been in line with our expectations. Last year, we initiated the process of reevaluating and conducted a detailed risk assessment of the wholesale portfolio successfully completing the recognition and provisioning parts of our asset cycles.
- We are now deep in the resolution part of the cycle, several tools are deployed for resolution of stressed assets including monetization of underlying assets, one-time settlements, enforcement via the Insolvency and Bankruptcy Code, and Portfolio sales to ARC's in cash and/or security receipts. In Q4 FY2023, we successfully concluded 4 stressed assets monetization transactions through a combination of asset sales and ARC deals. In FY2023, we generated over ₹12,500 crores of cash realization through accelerated repayments and resolution proceeds of Wholesale 1.0 loan book. We remain vigilant across our portfolio while maintaining adequate provisioning to tide over any of the unforeseen contingencies effectively.
- Our non-lending businesses, alternatives platform, our fund management business has marquee institutions like CDPQ and Bain Capital Credit as our long-standing partners. The platform had U.S. \$1 billion in committed capital across two funds namely the Piramal

Credit Fund and the India Resurgence Fund as of March 2023. We aim to build a robust alternative platform by scaling up the existing funds and launching newer funds soon.

- The life insurance business, now I would talk about. Through the DHFL acquisition, we acquired a 50% stake in Pramerica Life Insurance, which is a JV with Prudential of US. The Company has a customer base of 4 million, a network of 15,000 agents, and a robust balance sheet with the solvency ratio of 369%. In FY2023, PLI was the fastest growing life insurance company with a growth rate of 129% on the basis of overall new business premium.
- Our investments in the Shriram Group, pursuant to the restructuring of the Shriram Group, Piramal received shares in four Shriram Group companies. On 21<sup>st</sup> of June, we sold our entire direct investment of 8.3% in Shriram Finance Limited for a gross value of ₹4,800 crores. We continue to own stakes in Shriram General Insurance, Shriram Life Insurance, and Shriram Investment Holdings. We will consider monetization of some of these investments at an appropriate time.
- Liability management; we have strengthened our liability profile by replacing short-term borrowings with long-term borrowings and diversifying the borrowing mix. Our ALM profile exhibits a significant positive ALM gap across all buckets with the cumulative ALM gap up to 1 year at 24% for the last quarter. Our average borrowing costs have been gradually declining over the last few quarters and reduced by 100 basis points to 8.6% in FY2023 versus 9.6% in the previous year. We expect the borrowing costs to remain stable as we continue to diversify the book, tap additional funding sources to diversify the borrowing mix, and repay, and refinance high cost debt.
- Doing well and doing good; driven by the purpose of doing well and doing good and guided by the spirit of Sewa Bhaav, Piramal Foundation has established a significant presence across 21 States and 2 Union Territories. Over the last 15 years our initiatives have touched and positively impacted 113 million lives. Recognizing the need for a paradigm shift, we have reimagined the foundations approach and organize our solutions as 5 big bets aimed at assisting India in achieving its sustainable development goals by 2030. Our five big bets are Anamaya - the Tribal Health Collaborative, the Aspirational Districts Collaborative, the Digital Bharat Collaborative, the Piramal School of Leadership, and Thapas - the Piramal Academy of Seva, and this reflects our commitment to create value for our stakeholders.
- In closing, I would say we are poised to unlock value and see sustained growth and profitability going forward. We intend to achieve the following midterm priorities which will help us progress on our growth path and create long-term value for our shareholders:-
  - Target a mid to high teens AUM growth with a mix of two thirds retail and one third wholesale;

- Focus on lending to Bharat markets in retail lending with technology and analytics deeply embedded to our lending business;
  - Grow our wholesale 2.0 business by focusing on building a new and granular real estate and corporate midmarket lending book;
  - We also look to explore inorganic growth opportunities and maintain a conservative liability mix while we aim to achieve a 3% ROA and mid-teens ROE.
- During FY2023, our businesses have demonstrated a resilient performance as we navigated through global macroeconomic and geopolitical headwinds. We will continue to explore lucrative inorganic opportunities, ensuring value creation for all stakeholders and stay on our stated path of implementing renewed strategies to drive sustainable growth.
  - Dividend; The Board has recommended a dividend of ₹ 31 per share subject to your approval at the AGM. The total dividend payout would be ₹740 crores.
  - Now I will take up the resolutions as said forth in the notice. Thereafter, we will move to our discussions, and questions and answers:
  - As Ordinary business, adoption of the audited financial statements (Standalone and Consolidated) and the reports of the Directors and Auditors thereon for the financial year ended 31<sup>st</sup> March, 2023.
  - The Declaration of Dividend; the Board has recommended a final dividend of Rs. 31 per equity share for the financial year ended 31<sup>st</sup> March, 2023.
  - Reappointment of Vijay Shah, Director, who retires by rotation.
  - As a Special business, the Issue of Non-convertible Debentures on a private placement basis.
  - The text of the resolutions, along with explanatory statement is provided in the notice circulated to the shareholders.
  - I now invite shareholders who have pre-registered as speakers to speak. To avoid repetition, the answers to all the questions will be provided towards the end.
  - **Moderator:**
  - Dear Shareholders, when your name is announced, you will be placed in the meeting and sent a request to unmute your microphones. Kindly unmute your microphone, switch your camera on and speak. To ensure that all shareholders who have registered to speak get a fair chance to express themselves, we request you to kindly restrict your queries or

comments to a maximum of three minutes, after which we may intervene and request you to conclude. If you still have any queries that remain unexpressed, kindly mail them to us and the company will be happy to respond.

- Our first shareholder to speak is Mr. Manoj Kumar Gupta.
- **Mr. Manoj Kumar Gupta – Shareholder:**
- Good afternoon respected Chairman, Board of Directors, fellow Shareholders. My name is Manoj Kumar Gupta. I have joined this meeting from my residence in Kolkata. So first of all, thanks to you and your Board for the excellent result of the company and a good dividend for the year 2022-2023, and thanks to our Vice Chairperson, your beloved wife, Mrs. Piramal. Whenever we see her in Nestle Board, we feel proud. Being an Indian, we feel proud that she is in the Board of an excellent company and as an Independent Director. And she has a vast experience in the innovation, and she has done a very vast innovation for Piramal Group and returned to the investors, those which we are getting. All the credit goes to her. And sir CSR, I request you to allocate some fund for this region also sir, for Calcutta also sir to do some CSR in Calcutta.
- And I have seen on YouTube, recently you have visited Rajasthan with the group Chairman of Tata. My son told me that ‘Papa, see that Piramal uncle and Tata Chairman has gone to Rajasthan’. And whenever I go to Rajasthan, Jhunjhunu, I see Piramal Nagar. So thanks to your wife for excellent CSR work in Piramal Nagar. And sir have you any plan to apply for banking license because you have acquired the DHFL? So now, very soon the government will issue say, five or six more banking license. So have you any plan to apply for it? Because you have Ms. Anjali Bansal, who has a vast experience about the banking. She has served the Dena bank so she can help you to run the bank. So make a plan to apply for the banking, enter in the new sector in the banking. And thanks to you for appointing Mr. Ramadorai and Mr. Rajiv Mehrishi who has led the country as a finance secretary, and a warm welcome in our Board.
- And sir what's your future plan for next two to three years? And when will the share price be again in four digit? Now the share price in three digit. When the share price will again be four digit? And last year we request you to kindly give a momentum on the eve of 75<sup>th</sup> year under your leadership. You said ‘okay, we will consider’. So sir when you will consider to give a memento to the shareholders on the eve of 75<sup>th</sup> year? Because 75<sup>th</sup> year comes once in a life. So, you are very liberal and very democrat Chairman, so you think about that. And sir, plan a visit to visit this city of joy, Calcutta. We are also waiting for you to visit this city and we will meet you sir. And I strongly support all the resolution, and we believe that you will give more return to the shareholders in future also. Thank you, sir.



- **Moderator:**

- Thank you, Mr. Gupta. Our next speaker shareholder is Ms. Prakashini Shenoy. Ms. Shenoy, could you kindly unmute your microphone and speak.

- **Ms. Prakashini Shenoy – Shareholder:**

- I'm Prakashini Ganesha Shenoy from Bombay. Respected honourable Chairman, Shri Ajay G. Piramal, other dignitaries on the Board and my fellow Shareholders, Good Afternoon to all of you. I received the annual report well in time, which is colourful, transparent, informative and contains all the information as per the Corporate Governance. I thank Mr. Bipin Singh, Company Secretary, and his team for the same. I should not forget to thank him once again for reminding me of today's meeting along with the link. Thank you Bipinji, once again. Sir, the Chairman has given a wonderful picture regarding the working and in a thinner and thicker way. Thank you, Chairman sir.
- Sir, I am glad to note that Piramal is amongst the leading NBFCs in India in terms of size, with a total asset of ₹ 83,752 crores and asset under management is Rs. 63, 989 crores as on 31<sup>st</sup> March,2023. The Company reported consolidated revenue of Rs. 9,087 crores in 2023, with their net profit of Rs. 9,969 crores including exceptional gain of Rs. 8,066 crores in financial year 2023. Pertaining to de-merger of PPL, the operating profit after tax stood at Rs. 1,902 crores for the year. Sir, I am glad and happy to note that the Company has hired 10,191 employees in the financial year.
- Sir, I'm very glad to note that every required data is present in our AGM report, which most of the questions asked by the shareholders are replied. Sir, I'm also glad to note that out of 14, 6 are Women Directors including our Vice Chairperson Madam. I Congratulate the management for the robust performance at all parameters during the year. I am thankful to the Board for recommending dividend at the rate of Rs. 31 per share for the financial year. I am also glad to note that the Company has done outstanding work in the field of CSR activities during 2022-2023 such as Tribunal Health Collaboration, Piramal School for Leadership etc. At the outset, I Congratulate the management for getting awards and recognition by PEL namely, Pyramid Group recognized as one of the best organizations for women during 2023 by the Economic Times of India, Piramal Capital and Housing Finance Limited, Piramal Finance recognized by the Economic Times of India Best Brand 2022.
- Sir, I have just two questions. Question number one, how are we planning for the digital future? And my question number two is, how are we planning for the increase in revenue in future? Chairman sir, last but not the least, I request you personally please conduct Video Conference meetings in future so that the people all over the world can express their views and thoughts about the company.

- I wish the Company good luck for a bright future and pray God that the profit of the Company shall reach the peak in due course. Sir, I strongly and wholeheartedly support all the resolutions put forth in today's meeting. Thank you, Chairman sir.
- **Moderator:**
- Thank you Ms. Shenoy. Our next shareholder to speak is Mr. Santosh Kumar Saraf.
- **Mr. Santosh Kumar Saraf:**
- Respected Chairman sir, Other present Board of Directors, Executives and my Shareholder brothers and sisters and other workers, who are present in the meeting today through Video Conference, I am Santosh Kumar Saraf from Calcutta and *namaskaar* to all of you. I hope that all of you are in good health today. Sir, I had sent some questions. The Secretary is so prompt that he had sent the reply immediately. I had sent the questions yesterday and I received the reply today itself. Apart from those questions, I have one or two questions. Though all the questions were answered really well, I just had few answers for which I needed clarity.
- My question is, are you planning to venture into the mutual fund business in the future? Apart from this, do you also plan to move into the general insurance field? You are working for personal loans, sir. Please also work towards car financing too. In the future there seems to be a lot of demand for the car financing. So you can have a separate department for car financing. With the upcoming demand for e-vehicles, there will be a good demand. Hence, please do let us know if you have any plans for the car financing.
- Sir, the number of women employees in the company is less. Only 9.8% of the total is women employees. So I would request you that, since we are in the service sector, the number of women employees should be increased. There are only 1,826 women employees, sir where there are 12,413 employees in total. So I would request you to empower more women. As you are aware about Modiji, you know him really well, he is putting in effort for women empowerment. I understand that, for development of India and to make it the third largest developed country, then we will have to empower maximum number of women, and they should be given some authority.
- Sir, many disputes are pending with the company. Since 1989-1990, that means, from 35-40 it has been pending. So in order to reduce the number of disputes, please think of some out of court settlement. Just like Shenoy madam mentioned about VC meeting, I support her in saying that VC meeting is really good sir. All of your Directors are able to attend to the meeting from their residences, offices, and we shareholders are also able to attend in maximum numbers. So I would request you that, in case in future if you plan to have a physical meeting, please do have an option of 15-20 minutes for VC meeting too. You can also think about a combined option. Since we are in the digital era, we should come out of the physical meeting and continue with the digital meeting.

- Without taking much of your time, I would like to thank and convey my best wishes to you, all the Directors, all the executives, and all the employees who are working so hard to take our company to great heights. Wishing you all the best for 2024. May you have a healthy, wealthy, prosperous and safe year ahead. Thank you so much for the time. *Namaskaar.*
- **Moderator:**
- Thank you very much Mr. Saraf. We move on to our next speaker shareholder Mr. Shailesh Mahadevia.
- **Mr. Shailesh Mahadevia – Shareholder:**
- Respected Chairman, distinguished Directors, members of the Company, in these difficult times you have come with excellent results and some of the long term decisions you have taken during the year, which will get reflected in the times to come since effectively we have been given the charge after 21<sup>st</sup> August or so. And sir, before I proceed, I would like to appreciate the Indian culture which has been embedded in the thinking of the Company. Your symbol Chin mudra or Vadra mudra is excellent. Not only that, you have quoted from Upanishad that what is our plan, what is our goal. That one shloka tells everything about our company.
- Sir, I also appreciate the report, the data which has been provided and particularly BR and SR for consolidated working of the company. Sir, I would also like to appreciate that you are visible in the capital market and in the economy by various interviews you have given on business conclave, and you have been advising the new entrepreneurs who are coming in the field. Sir, our congratulations. Sir, then I would like to come and appreciate on page 91 that you and your wife, both of them have given up your remuneration for the whole year. But sir, when we look at the working of the company, we don't find that such a step was necessary. All the same, you know it better than us. But I would like to appreciate that gesture on your part.
- Sir, then I would like to put some questions with a view to increase my understanding and appreciation. Sir, my first category is regarding the investment in the company. Promoters are holding about 44%. However, we also find that portfolio investor, foreign portfolio investor, are holding as much as 28.42%. Sir, I would like to know whether these are fair whether investors of FPI or they are there for a long time to come. Sir, further clarification which I would like to have that FPI category 1, 2, 3, I saw it for the first time in the report, how these things are being classified in this particular manner. Then sir, we have stated that our NBFC is non-deposit. That means you will not be taking deposits from the investors. Sir, what I would like to know is that are we having sufficient alternative sources or this is only a temporary measure which we are not utilizing.

- Sir, then our next question is that we are doing excellent CSR work. We have spent as many as Rs. 17 crore. Sir however the effect of CSR is much larger. It has a multiplier effect, it has a ripple effect and therefore you should try to work out the economic impact of our CSR work. This is being independently taken out and many companies have started this. Kindly look into the matter so that the society will get the correct picture of the benefit from our company. Sir, I am little bit surprised and confused regarding so many changes, structures, collaboration, this, that and particularly what I find that in the BSR report you have given consolidated capital of Rs. 43.73 crores. Sir, we are sure you must be effectively using much larger capital. Sir, can you throw some light as to how the actual capital utilization is much more than what has been stated.
- And sir, I must also admit that because of my sickness I have not been able to arrange all my questions and appreciation. I would like to be excused for the same. Sir, I wish you all the best and *namashkar* to all of you in the meeting. Thank you.
- **Moderator:**
- Thank you Mr. Mahadevia. Our next shareholder who had registered to speak Ms. Hutokshi Patel has not joined the meeting. So we will move on to Ms. Lekha Shah.
- **Ms. Lekha Shah – Shareholder:**
- Respected Chairman Sir, Board of Directors and my fellow member, good afternoon to all of you. Myself Lekha Shah from Mumbai. First of all, I'm very much thankful to our company secretary Bipin Bhai for sending the AGM notice well in time, which is full of knowledge, facts and figures in place. Thank you Chairman Sir for explaining us well about the company. Congratulations for excellent work sir. Sir, I pray to God that he always shower his blessing upon you. Thanks for the dividend sir. I'm proud to be a shareholder of this company. At the outset, I congratulate our Chairman and other Directors for receiving various awards and recognition by our company. And also, I am glad the company is doing very well the field of CSR activities.
- Sir, I would like to ask you few questions. My first question is, after the acquisition of DHFL how much of increase in loan book and growth? My second question is, in retail lending which cities we focus and how many branches we have throughout the country in housing are present in which cities? Chairman Sir, the previous speakers Mr. Santoshji from Calcutta, Mrs. Prakashini from Bombay had requested for video conferencing. I would also like to request the same thing to you sir. So many meetings are conducted around the same time of the year and it is not possible for us to run around here and there. Please continue with video conferencing sir.
- I strongly support all the resolutions for today's meeting and my best wishes always our company and its prosperity. Thank you, sir.

- **Moderator:**

- Thank you Ms. Shah. Our next speaker shareholder is Mr. Yusuf Yunus Rangwala.

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

- Respected dynamic Chairman, Piramal Sir. Very good afternoon, sir. I'm speaking from Mumbai. Sir, I am very thankful and very humble to our Company Secretary Bipin Singh, who is an excellent Company Secretary, for dividend Rs. 31, very excellent. In total it makes to Rs. 740 crores. This shows how you are carrying.
- On Board of the Directors, we have five ladies. Son, Anand Piramal, your daughter Nandini Piramal and your wife, they are helping our company sir. I'm very happy. We are having around 12,000 employees. In Chairman's speech mentioned in the annual report on page number 20, Piramal Foundation which help the poor people, help the poor people and needy people. They are blessing our company sir. In three pages you have mentioned, page no. 20, pane no. 21 and page no. 23, all the activities. This shows how...I'm happy on winning many awards. We are winning a many awards and I am very thankful and very grateful for that, sir.
- Sir, I am also joining first speaker, saying that last year was the 75<sup>th</sup> year, this is the 76<sup>th</sup> year celebration. The celebrations are pending, sir. If not possible to celebrate on a large scale, secretary sir, please send us a box of sweets. Sir this is our humble request. You can have some product which has Piramal's name on it, which will be a remembrance that 75 years have been completed. This is my humble request and nothing more to add. I wish our company good luck. Give me one minute, Sir. Only one minute, Sir. Sir, namaste. Namaste, Sir. Namaste, Sir. Yes, Sir, I end my speech praying to God; praying for our company. Sir, today's rate is above Rs.3000 and you have made us rich. Sir, when you are there leading Piramal company, we don't need to look back and our money is safe. It is just like a safe deposit, Sir. I agree with the previous speaker. Are you going to apply for the bank license? If not, then go for it, Sir. I am supporting the resolutions. Thank you very much. May God bless our company. Ganesh Chaturthi is nearby, I wish our company happy Ganesh Chaturthi, Diwali, Dusshera and all the festivals, Sir. Jai Hind, Sir. I end my speech.

- **Moderator:**

- Thank you very much, Mr. Rangwala. We move on to our next speaker shareholder Mr. Vinay Binde.

- **Mr. Vinay Binde – Shareholder:**

- Hello, are you able to hear me?

– **Moderator:**

– Yes, Sir, we can hear you. Please go ahead.

– **Mr. Vinay Binde – Shareholder:**

- Fine, fine. Thank you. I'll start. My name is Vinay Binde. Chairman Mr. Ajay Piramal, Vice Chairman Dr. Swati Piramal, Nandini and Anand Piramal, other distinguished Directors of the Board, my fellow shareholders, company executives good afternoon to all of you. But what shall I say? And I'm very happy, you know, with the very satisfying results that the company has shown for the concluded financial year and, you know, consequent to that you've prepared, as always, a very nice Annual Report explaining every aspect of the business which leaves very little room for anybody to ask questions. Mr. Bipin's team had called me up a couple of times to ask whether I have any questions but I very politely told them that I have no questions because everything has been very neatly explained. And this year I will make a deviation from what I've been doing for all these years. I've been asking very surging questions, this year I made a change. I will just ask, you know, a couple of questions beyond what is stated in the Annual Report in the sense, you know, what developments are there since the reporting has been done and they are as follows, Sir. And, yeah, I hope you could throw some light on these questions. The development since the Annual Report, Number One, is that we have sold our investments in Shriram Finance, so just two points I would like to understand. I somehow thought, you know, that Shriram Finance is getting back on the growth path, so could you please confirm to us that the investment has been sold at the right time; point Number One. And I believe, I believe, you know, this is only for understanding it better. I'm sure you make a very nice and prudent decision on that.
- And the second question which follows is, that with so much of cash being available at hand, what is the company's plan to deploy this cash which has come one time? That you can throw some light on.
- Otherwise, I think, you know, it's not fair on my part to take common time. Now that I've said that you have even taken pains to explain beyond Annual Report at the start of this meeting as to what the stated company's objectives and plans are and not take much time. I will close with best wishes to you, Sir, to your family, to all the Directors and the employees and I'm sure the company is on an upward path and we'll see much better progress of the company in the years to come. Thank you so much, Sir.

- **Moderator:**
- Mr. Binde. Our next three speakers, Mr. Aspi Bhesania, Mr. Dinesh Bhatia and Mr. Bijnan Singh Srimal have not joined the meeting, so we shall move on to our next speaker shareholder who is present Mr. Pravin Kumar.
- **Mr. Pravin Kumar - Shareholder:**
- Hello? I am audible?
- **Moderator:**
- Yes, Sir, we can hear you and see you.
- **Mr. Pravin Kumar - Shareholder:**
- Respected Chairman Sir Ajay Piramal ji, Anand Piramal Sir, Jairam Sridharan ji and Board of Directors myself Pravin Rathi from Salasar Balaji, Rajasthan. First and foremost, I wish to express my heartfelt gratitude to the Board of Directors and the management team for declaring handsome dividend. When the company is underperforming in the equity market as compared to its peers, the dividend deal will give a lot of support to the overall valuation of the company. I congratulate Jairam Sridharan and his team for transforming our company from wholesale oriented to retail oriented. I congratulate Shri Ajay Piramal ji on successful acquisition and integration of DHFL into PCHFL. I feel DHFL equation is a key milestone in the journey of our company. Being a retail investor I have some queries which I would like to be addressed by our esteemed Board. Sir, we have excess liquidity after the sale of Shriram Finance shares, do we consider any buyback now or are we preparing ourselves for any inorganic growth? Viably suggestible, Sir, as it will reduce the volatility in our share price that we have witnessed over the last one year.
- Next, we do have a sizable stake in unlisted arm of Shriram Group like Shriram General Insurance and Shriram Life Insurance, whether we are looking to divest it in near future?
- What measures we are taking to upgrade our credit rating? What is the status about Andheri Light bought a few years ago? When can we see it to be monetized? Sir, during the last financial year we have incurred huge legal and professional expenses in the tune of Rs.580 crores as compared to Rs.290 crores in earlier year, whether we can see a reduction in that in current year?
- Next, why we are still not considering the remaining deferred asset in our books as inclusion of that we enhance our network. Sir, at last, I have a request that I would like to

visit our corporate office in Mumbai, which I heard is one of the best in India and interact with Jairam and his team, if possible. Thank you, Sir.

– **Moderator:**

– Thank you very much, Mr. Pravin Kumar. I shall now invite Mr. Bijnan Singh Srimal to speak. He has now joined the meeting.

– I believe Mr. Bijnan is not at his device, so we can move on to our next speaker, Mr. Anil Kumar Tummidi. Mr. Anil Kumar Tummidi.

– **Mr. Anil Kumar Tummidi - Shareholder:**

– Hello, Sir. Good afternoon, everyone. Today I'm here behalf of Anil Kumar. Dear Chairman Sir, I'm a great admirer of your entrepreneurship. In the FY23 you had a rollercoaster ride to find where we are. Management has done a great job to identifying the bad assets and providing enough provisions and also in the fourth quarter for the financial year trend suggests that Stage 2 and Stage 3 loans have come significantly and hope the trend continues in the FY24 as well. And we are also not lagging with respect to our FY27 targets as well. Also our company thought of providing the good dividend to stakeholders despite of such difficult environment. On the personal front, Sir, I congratulate you for becoming a grandfather as well. And here comes my questions. When do we think we'll reach our 3% ROI and teens ROE as mentioned in the Annual Report business? And what is our strategy for achieving them?

– And another question, what we are going to do with our 4800 crores of Shriram financial stake sales? And also, is there any extension in extending General and Life Insurance where we hold 10% stakes? As well as one more question, Sir, I can see in this Twitter and many more social media that our customers are not so happy and are not giving any positive feedback for the customer services, so I think it's better to implement our plans to keep the customers happy as well. Now, as we decide that the insurance business that we acquired from DHFL, what is our strategy to increase that business?

– That's all, Sir. These were my questions.

– **Moderator:**

– We move back to Mr. Bijnan Singh Srimal. Mr. Srimal, kindly unmute your microphone.

– **Mr. Bijnan Singh Srimal – Shareholder:**



- Am I audible?
- **Moderator:**
- Sir, please go ahead.
- **Mr. Bijnan Singh Srimal – Shareholder:**
- Namaskar. I am CA BS Srimal from Kolkata. I am grateful to Mr. Chairman Piramal ji for inviting us to share our views at the AGM. Sir, it is a great privilege to meet you. I am a shareholder for about 2-3 decades but I am joining it only today. First of all, I think that this meeting should continue to be conducted on a virtual basis so that we can attend. I think many shareholder who is not in a position to attend and living outside can join it. Sir, I have few suggestions and questions with your permission. Sir, basically, I would like to know the Balance Sheet is signed by only one Director whereas as per the act it requires that the 2 Directors should sign and also, according to me, the Audit Committee Chairman should sign. Would you kindly enlighten me about this thing? And it is helpful if all the directors sign the Balance Sheet, it get a greater confidence for the shareholder. Sir, then I think that in your report, I am not getting even in the Director's report, the standalone accounts of your company. It is all the time in the consolidated, so it is very difficult. You will understand, we are concerned more on the standalone. So, we are not getting result of standalone. Although we have to see for the Balance Sheet. I would request that in future kindly give a separate column for a standalone account also.
- Sir, then I am a shareholder of your company myself and also my sister for a long time but unfortunately we have few physical shares which I have tried to do the KYC but it is not being accepted by your RTA and the difficulty is that it is very difficult to correspond and even talk to the RTA because if I give a mail it bounce back. I think they are overworked. There must be some resolution of this thing. I am a super senior citizen and having a shareholding of your company for a long time. Of course, this has been told to your secretarial committee to one Madam Mehta and she has taken a very positive view of my situation. So, I would request that kindly look into the matter so that the shareholders are not being harassed for the KYC reason.
- Sir, you have given a quite a good account on the challenging situation for which we are grateful to you. Sir, with this, I would like to conclude. I will not take much of your time and I request that in future the Company Secretary should also try to contact the new incumbent of the speakers so that they also feel at home. With this, I conclude. Thank you so very much.
- **Moderator:**
- Mr. Srimal. I now invite Mr. Goutam Nandy to address us.

- **Mr. Goutam Nandy – Shareholder:**

- Am I audible, Sir?

- **Moderator:**

- Yes, Sir.

- **Mr. Goutam Nandy – Shareholder:**

- Thank you, Sir. Good evening and Namaskar. Respected Chairman, Board of directors and my online fellow shareholders myself Goutam Nandy of Kolkata- the city of Joy; very old equity shareholder of your company. Sir, firstly, I'd like to give thanks to your secretarial department for sending me Annual Report and other necessary relevant papers through email well in advance. So, specially thanks to our respected Company Secretary and his whole team for rendering good services to our minority shareholders. Thank you, Sir. Sir, my earlier speakers already expressed their views regarding the accounts and performance of our company, so no repetition from my side. Sir, the performance of our company is excellent in this year in every segment, even in this challenging year. I'm very happy, Sir. Sir, we are also very pleased to receive your fantastic dividend. Thank you, Sir. Sir, your CSR is remarkable. Please keep it up, Sir. Sir, your Annual Report consisting 380 pages is very attractive and also very informative. Sir, I'd like to know what is your roadmap for the next 3-4 years. Sir, is there any plan for buyback option in this year? Sir, one thing more, may we expect bonus share at the rate of 1:1 basis from your end in the near future? Sir, I'm very proud to be a shareholder of your company and I am very hopeful towards the prospect of our company. I have full trust with our strong management, Sir, like you and so I wholeheartedly and strongly support your old resolutions, which I have already cast through my E-voting. Sir, I am really happy with the company. Nothing to say more today. Looking forward with a positive outlook towards our company with higher profit margin, handsome dividend, 1:1 bonus and return. And one more thing, Sir, please continue your VC meeting henceforth. We can join from our own place. Please continue this VC, Sir. May God bless you and stay safe, stay healthy, Sir. Thank you very much. Signing off, Goutam Nandy, Sir. Thank you.

- **Moderator:**

- Mr. Nandy. Our final speaker to register Mr. Manjit Singh has not logged in. With that, all shareholders who registered to speak and did login have now spoken and I shall request our Chairman to address the shareholders queries. Over to you, Sir.

- **Mr. Ajay Piramal – Chairman, Piramal Enterprises Ltd.:**
- First of all, let me thank all the shareholders, many of whom I have now known for several decades because you all are our regular shareholders and I want to just appreciate all the warm sentiments that you have given me and the management. Your good wishes are the source of strength for all of us in difficult times as well. So, thank you very much.
- Many of you have commented that we should have to continue with the virtual meetings. I would also like to continue with that because I think it is very convenient because very often...this is the first time I'm seeing shareholders who have been for a very long time with us but have not had an opportunity to speak. It's only because of the virtual. May I request to you all shareholders who believe that this is a good idea to write to the Ministry of Corporate Affairs and SEBI to push this agenda that we should have virtual meetings to continue with them because I think your voice has more power than what anybody else has. So, let's do that.
- Thank you very much for all the good wishes that you've given us and also your comments on the performance of the business, the Annual Report, the dividend. And we appreciate that, as I said.
- Now, I will answer the questions that you have asked me. Mr. Manoj Kumar Gupta, Ms. Prakashini Shenoy, Mr. Santosh Kumar Saraf, Shailesh Bhai, Ms. Lekha Shah, Yusuf Bhai, Vinay Binde, Mr. Srimal, Mr. Pravin Kar, Anil Kumar and Goutam Nandy. Thank you very much. I just want to tell you that the CSR that you wanted, Manoj Kumar ji asked, we do it all over India including in the eastern region. In fact, in the eastern region and very a lot in the Northeast we have a lot to do with the CSR activities. So, we do that all over India. We are in 27 states in India.
- The Banking License; couple of you have asked for that. I think we still have some time. We don't need it today and at the right time we would approach the Reserve Bank and then ask for a banking license.
- Some of you also wanted to know about the future plans. Today I have outlined that in my speech as to what is the future plan. I would ask you/request you to refer to that because I don't want to repeat it again but please read it out. Please read it for them.
- I think some of you also wanted to understand what we will do with the funding that has come from the Shriram Group. First of all, as you know, we have been making it public for a long time that the Shriram group was an investment and at the right time we would exit out and we found that this was the right time. As you know the markets are doing well and I'm really happy with the depth of the Indian market that such a large transaction of 4800 crores could be done in overnight manner. The funds that we have got now, we have

got good capital. First of all, as you know, in a lending business, in an NBFC capital is the real raw material. If you have money, you can grow. So, we are pushing our growth to good levels today, both in the retail side as well as in the new wholesale and we will continue to do that.

- You all have made other suggestions for usage of capital just like acquisitions, buyback, extra bonus, dividend. Let me say that the Board will consider all these and then we will get back to you.
- You wanted to know, Mr. Saraf, whether we will have any plans for a Mutual Fund. We do not have immediate plans for Mutual Fund. The insurance stake that we have in Shriram, both in General Insurance and in Life Insurance, at the right time we will see what to do with it and we can disinvest it at the right time. Today they are doing well and, as you know, we have enough capital and enough liquidity. So, there's no need today but we will look at it for sure. We also have our own Life Insurance, which is a joint venture with the U.S. firm Primerica, which is a 50-50 joint venture and we are continuing to grow that. As I said in my speech also, that has done well in the last year.
- Women employees, I have noted that we need to increase and we are aware of that and are pushing for that to see that diversity is maintained and we are trying to resolve disputes but you know how it is. In our system it does take time.
- Shailesh Bhai, I wish you all the good health. I'm glad to see you because you have been a long time shareholder and you always speak. So, your questions, if there are anything which we have not answered, which we've already done we will let you know but thank you for even attending it as always.
- I want to also just thank all of you who have commented on our CSR. I want to make a point on CSR. Our CSR, actually, we employ in addition to our foundation has about 5000 people. As I said, it is in 27 states and 2 Union Territories and today we have touched the lives of 11 crores people in this country. So, it is one of the biggest CSR efforts going on and every rupee that we put in, actually, we get Rs.15 more put in by the government because of the contribution. So, it has a much larger economic impact than what we could say.
- I think I have answered a lot of the general questions which I know because Lekha Ben and Yusuf Bhai you have asked them, I've answered your question. So, also, Mr. Binde, I think your questions I have answered already, so I don't want to repeat them.
- Mr. Pravin Kumar, I just wanted to say I'm glad that you like the DHFL acquisition. I think that has given us a good boost as far as retail lending is concerned. I answered your questions on the liquidity what we are going to do. Legal and professional expenses, yes, you know because when we acquired DHFL there has been a lot of litigation that we've

had to incur because to recover all the outstanding loans. As you know, DHFL had many, many disputes and that's why our expenses are going up. And, please, write to us and we will arrange a visit for you to come to Mumbai.

- I think I have answered most of the questions. The roadmap that some of you asked, Mr. Goutam, you also asked. I have laid it out in my speech. I would ask you to refer to it.
- With this, I've covered all the important questions. If there are anything which are left behind, please don't hesitate to call us. But I just look forward to your continued support which you have done for so many years and I hope that it will continue for many more years to come. I wish you all the best, you and your families, and good health and happiness. Thank you.
- We have now answered all the questions. Now, I would request the members who have not cast their votes on the items and set out in the notice of the AGM are requested to exercise their vote through the E-voting facility available on the NSDL platform which is available for the next 15 minutes.
- With your consent, I and other Board members would like to leave the meeting and authorize Mr. Bipin Singh, Company Secretary, to conduct the voting procedure and conclude the meeting. May I just once again take this opportunity to thank all shareholders for attending the meeting and for your continued support to the company. I also thank our Directors for joining this meeting through the audio-video means today. Thank you.
- ***END OF TRANSCRIPT***