

DCS/AMAL/TS/R37/3527/2024-25

The Company Secretary,
Piramal Enterprises Limited
Piramal Ananta, Agastya Corporate Park,
Opposite Fire Brigade, Kamani Junction,
LBS Marg, Kurla (W), Mumbai, Maharashtra, 400070

Dear Sir/Madam,

Sub: Observation letter regarding the Draft Composite Scheme of Arrangement amongst Piramal Enterprises Limited, Piramal Capital & Housing Finance Limited and their respective shareholders and creditors.

We are in receipt of the Draft Composite Scheme of Arrangement amongst Piramal Enterprises Limited, Piramal Capital & Housing Finance Limited and their respective shareholders and creditors under Section 230 to 232 of the Companies Act, 2013 as required under SEBI Circular no. CFD/DIL3/CIR/2017/21 dated March 10, 2017 read with Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021 read with SEBI Master circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and SEBI/HO/DDHS/DDHS-PoD-1/P/CIR/2024/48 dated May 21, 2024 and Regulation 37, 59A and 94(2) of SEBI LODR Regulations 2015 along with SEBI/HO/DDHS/DDHS Div1/P/CIR/2022/0000000103 dated July 29, 2022 (SEBI Circular) and Regulation 94A(2) SEBI (LODR) Regulations, 2015; SEBI vide its letter dated February 14, 2025 has inter alia given the following comment(s) on the Draft Scheme of Arrangement:

1. "The Company shall disclose 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".
2. "The Company shall ensure that additional information, if any, submitted by the Company after filing the scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed company and the stock exchanges".
3. "The Company shall ensure compliance with the SEBI circulars issued from time to time. The entities involved in the Scheme shall duly comply with various provisions of the Master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company".
4. "Company is advised that the information pertaining to all the unlisted companies, if any, involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of the 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, if applicable."
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, if applicable".
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 the Shareholders".

7. "The company is advised that the proposed equity shares, if any, to be issued in terms of the "Scheme" shall mandatorily be in demat form only".
8. "The Company is advised that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document".
9. "The Company shall ensure 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. "The 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".
11. "The Company is advised to comply with all applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme".
12. The entities involved in the proposed scheme shall not provide any mis-statement or furnish false information with regard to disclosures to be made in the draft scheme of amalgamation as per provisions of Chapter XII of the Operational Circular issued on May 21, 2024 and comply with other requirements of the aforesaid Operational Circular.
13. The Company advised that it shall include information pertaining to the unlisted entities, if any, in the format specified for abridged prospectus as provided in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, in the notice or proposal to be sent to the holders of NCDs/ NCRPS while seeking approval for the scheme. The accuracy and adequacy of such disclosures shall be certified by the SEBI registered Merchant Banker after following the due diligence process.
14. The Company shall disclose the No-Objection letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.
15. The Company is advised to comply with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars.
16. "The Company is advised to ensure that the following additional disclosure to the public shareholders as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to take an informed decision:
 - I. Need, rationale and synergies of the scheme along with its impact on the shareholders;
 - II. A write up on the history of the demerged undertaking and transferor companies;
 - III. Details of assets, liabilities, net worth, revenue of the companies involved in the scheme, for both pre and post scheme of arrangement;

- IV. Latest net worth certificate along with statement of assets and liabilities of all the companies involved in the scheme of arrangement for both pre and post the scheme of arrangement;
- V. Comparison of revenue and net worth of demerged undertaking and transferor companies with the total revenue and net worth of the transferee company for last three financial years;
- VI. Companies shall applicable additional information submitted to Stock Exchanges and SEBI, as advised by SEBI through email dated February 14, 2025 shall form part of disclosures to the shareholders

17. 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 exchange. 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.

Accordingly, based on aforesaid comment offered by SEBI, the Company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

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 dated June 20, 2023.

However, the listing of equity shares of Piramal Capital & Housing Finance Limited shall be subject to SEBI granting relaxation under Rule 19(2)(b) of the Securities Contract (Regulation) Rules, 1957 and compliance with the requirements of SEBI circular. No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. Further, Piramal Capital & Housing Finance Limited shall comply with SEBI Act, Rules, Regulations, directions of the SEBI and any other statutory authority and Rules, Byelaws, and Regulations of the Exchange. The Companies shall fulfil the Exchange's criteria for listing the securities of such Companies and also comply with other applicable statutory requirements. However, the listing of shares of Piramal Capital & Housing Finance Limited is at the discretion of the Exchange. In addition to the above, the listing of Piramal Capital & Housing Finance Limited pursuant to the Scheme of Arrangement shall be subject to SEBI approval and the Company satisfying the following conditions:

1. To submit the Information Memorandum containing all the information about Piramal Capital & Housing Finance Limited in line with the disclosure requirements applicable for public issues with BSE, for making the same available to the public through the website of the Exchange. Further, the Companies are also advised to make the same available to the public through its website.
2. To publish an advertisement in the newspapers containing all details of Piramal Capital & Housing Finance Limited in line with the details required as per the aforesaid SEBI circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023. The advertisement should draw a specific reference to the aforesaid Information Memorandum available on the website of the company as well as BSE.

3. To disclose all the material information about Piramal Capital & Housing Finance Limited on a continuous basis so as to make the same public, in addition to the requirements if any, specified in Listing Agreement for disclosures about the subsidiaries.
4. The following provisions shall be incorporated in the scheme:
 - “The shares allotted pursuant to the Scheme shall remain frozen in the depository system till listing/trading permission is given by the designated stock exchange.”
 - “There shall be no change in the shareholding pattern of Piramal Capital & Housing Finance Limited between the record date and the listing which may affect the status of this approval.”

Further you are also advised to bring the contents of this letter to the notice of your shareholders, all relevant authorities as deemed fit, and also in your application for approval of the scheme of Arrangement.

Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **the validity of this Observation Letter shall be Six Months from the date of this Letter**, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its ‘No adverse observation’ at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations do not preclude the Company from complying with any other requirements.

Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon’ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be **is required to be served upon the Exchange seeking representations or objections if any.**


In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has **already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.**

Any service of notice under Section 230 (5) or Section 66 of the Companies Act 2013 seeking Exchange’s representations or objections if any, **would be accepted and processed through the Listing Centre only and no physical filings would be accepted.** You may please refer to circular dated February 26, 2019 issued to the company.

Yours faithfully,



Ashok Kumar Singh
Deputy General Manager



Tanmayi Lele
Assistant Manager



Ref: NSE/LIST/41900

February 17, 2025

The Company Secretary
Piramal Enterprises Limited

Kind Attn.: Mr. Bipin Singh

Dear Sir,

Sub: Observation Letter for draft composite scheme of arrangement between Piramal Enterprises Limited (“Transferor Company/ PEL”) and Piramal Capital & Housing Finance Limited (“Transferee Company/ PCHFL”) and their respective shareholders and creditors under sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

We are in receipt for captioned draft scheme of arrangement filed by Piramal Enterprises Limited.

Based on our letter reference no. NSE/LIST/41900 dated December 06, 2024, submitted to SEBI pursuant to SEBI Master Circular no. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 and Regulation 59A, 94(2) and 94A(2) of SEBI (LODR) Regulations, 2015 and SEBI Operational Circular No. SEBI/HO/DDHS/DDHS_PoD-1/P/CIR/2024/48 dated May 21, 2024 for comments on the Draft Scheme of Arrangement. SEBI vide its letter dated February 14, 2025, has inter alia given the following comment(s) on the draft scheme of arrangement:

- a) *The Company shall ensure to disclose 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.*
- b) *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 this letter, is displayed on the websites of the Listed Company and the Stock Exchanges.*
- c) *The Company shall ensure compliance with the SEBI Circular issued from time to time.*
- d) *The Companies involved in the Scheme shall duly comply with various provisions of the SEBI Master Circular and ensure that all the liabilities of Transferor Company are transferred to the Transferee Company.*
- e) *The Company shall ensure that information pertaining to all the Unlisted Companies, if any, 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, if applicable.*
- f) *The Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old,*

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Signer: SAILI MOHAN KAMBLE
Date: Mon, Feb 17, 2025 15:19:59 IST
Location: NSE

- g) *The Company shall ensure that the details of proposed scheme under consideration as provided by the Company to the Stock Exchanges shall be prominently disclosed in the notice sent to the shareholders.*
- h) *The Company shall ensure that the proposed equity shares, if any, to be issued in terms of the “Scheme” shall mandatorily be in demat form only.*
- i) *The Company shall ensure that the “Scheme” shall be acted upon subject to the Company complying with the relevant clauses mentioned in the scheme document.*
- j) *The Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.*
- k) *The Company shall ensure 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.*
- l) *The Company shall ensure 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.*
- m) *The entities involved in the proposed scheme are advised that they shall not provide any misstatement or furnish false information with regard to disclosures to be made in the draft scheme of amalgamation as per provisions of Chapter XII of the Operational Circular issued on May 21, 2024 and comply with other requirements of the aforesaid Operational Circular.*
- n) *The listed entity involved in the proposed scheme is advised that it shall include information pertaining to the unlisted entities, if any, in the format specified for abridged prospectus as provided in Part B of Schedule I of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, in the notice or proposal to be sent to the holders of NCDs/ NCRPS while seeking approval for the scheme. The accuracy and adequacy of such disclosures shall be certified by the SEBI registered Merchant Banker after following the due diligence process.*
- o) *The entities involved in the proposed scheme shall ensure that they have compiled with the relevant provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Covenants of the Debenture Trust Deeds entered with the Debenture Trustee(s) any other relevant regulations and circulars.*
- p) *The Company shall ensure that the following additional disclosure to the public shareholders as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act 2013, to enable them to take an informed decision.*

- i. *Need, Rationale & synergies of the scheme along with*
- ii. *A write up on the history of demerged undertaking a*



- iii. *Details of assets, liabilities, net worth and revenue of the companies involved in the scheme, for both pre and post scheme of arrangement.*
 - iv. *Latest net worth certificate along with statement of assets and liabilities of all the companies involved in the scheme of arrangement for both pre and post the scheme of arrangement.*
 - v. *Comparison of revenue and net worth of demerged undertaking and transferor companies with the total revenue and net worth of the transferee company for last three financial years.*
 - vi. *The Companies shall ensure that all the applicable additional information shall form part of disclosures to the shareholders, which was submitted by the Company to the Stock Exchange as per Annexure M of Exchange checklist.*
- q) *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 exchange. 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 exchange. 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.

Please note that the submission of documents/information, in accordance with the Circular to SEBI and National Stock Exchange of India Limited (NSE), should not in any way be deemed or construed that the same has been cleared or approved by SEBI and NSE. SEBI and NSE does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our “No objection” in terms of Regulation 37 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

The Listed entity involved in the proposed Scheme shall disclose the No-Objection Letter of the Stock Exchange(s) on its website within 24 hours of receiving the same.

However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this “Observation Letter” shall be six months from February 17, 2025, within which the Scheme shall be submitted to NCLT.

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Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37 of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Saili Kamble
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

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Signer: SAILI MOHAN KAMBLE
Date: Mon, Feb 17, 2025 15:19:59 IST
Location: NSE